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HOUSE OF COMMONS

Monday, October 28, 1991

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA ELECTIONS ACT

MEASURE TO AMEND

Hon. John Bosley (Don Valley West) moved that Bill C-286, an act to amend the Canada Elections Act (addition to the official list of electors), be read the second time and referred to Legislative Committee G.

He said: Mr. Speaker, in my mail on Friday and over the weekend here in Ottawa and in Toronto, the flood of municipal literature began.

One of the crucial pieces of information that every sensible municipal candidate includes in his or her literature—as those who have been through this know—is the notation that if somehow you have not made it to the enumeration lists, that is not the end of the world. You can go to the polling station on election day and you may swear that you are a proper and bona fide elector and you may vote. That is an expression of something we, at least at that level, hold dear in democratic systems. Under no circumstances should you be deprived of the essence of democracy, which is your right to cast your vote for who shall lead your community or your province or your country.

Ironically, the level at which we do not do that is this one. Political scientists tell us that our elections will always be about people and images. The last election became, in a gratifying way, an election about a major, major policy issue. No member is going to forget the experience of debating the free trade agreement in the last election.

I cannot forget the anger that was expressed by those who came to see me as a candidate who had been missed on the enumeration lists. These people felt this was a crucial vote for them, whatever side they were on, and certainly could not believe that because they had been away or had been missed by the enumerators, they could not go, swear the oath on election day and vote. They felt—whatever side they were on—that it was probably the most critical election they were going to be involved in for some time.

I suggest that since the next election will presumably involve some form of approval or disapproval of parties that are running either on constitutional or trade package agreements, it is going to be just as crucial in the minds of all Canadians, whatever side of the issues they are on.

I do not intend to take the full 20 minutes that is available today to a mover of a private members' motion. I simply wanted to put that view on the record. There is now a royal commission or a political commission examining all of our electoral procedures. I know this bill has already been received by their staffs and lawyers and they are looking at this proposal.

Perhaps the proposal that is codified in this document, Bill C-286, may not be the one that is finally deemed to be the best. What this bill says, however, is that if an elector has been missed by an enumerator he or she may go to the polling station on election day provided he or she goes with one other person in order to establish identity. That person must be willing to swear an oath that this person is indeed a resident of that electoral district. The person who is then trying to vote produces some sort of personal identification satisfactory to the returning officer, is then registered to vote and votes.

If there is a better way to do it I will be more than happy to see it. I only want to try to improve the situation in some little way on behalf of those who felt so frustrated the last time when they were left off the list. It seems long overdue to me. I have no doubt that the commission is going to make lots of recommendations about various ways to make the system more open, fair and democratic for all Canadians. They may suggest

various ways to hold elections or to keep a permanent list.

It does seem to me that the best system in the world is bound to make at least one or two mistakes. If we seriously mean that people should get involved in politics and the process because it is their country, then we ought to write rules that allow a bona fide elector to vote even if it is at the last minute, at one minute to eight, before the polls close.

It ought to be self-evident that we must respond to the sense that people all through this country have a need to be empowered and take control of their systems. One place to start is to say that if we have not managed to develop a system that is perfect, there is a way for every Canadian to get his or her vote in before the end of election day.

We look around the world and see all the other countries that are finally getting a chance after years of oppression to have a democratic system. Remembrance Day is a time to remember what people fought for which is our right to vote for who will govern us. We then ought to make sure that everybody who is entitled to a vote really is entitled to get at the power of that vote, even if it is at the last minute of the last day.

Ms. Mary Clancy (Halifax): Mr. Speaker, I would like to support very strongly this private member's idea. The hon. member has stated there should never be the situation where a duly qualified elector is barred from exercising his or her franchise because of some foul-up, mistake or difficulty in the process of enumeration. I can only say that I have spent many election days in provincial elections as the duty officer for my party in the returning office. In the province of Nova Scotia under our election act you may be sworn in on election day but you must do it at the returning office. Even that is a problem.

I recall very strongly in the 1988 provincial election, which was some six weeks before the federal, huge line-ups outside the returning office in my provincial riding. It was one of the best examples of non-partisan co-operation I have ever seen among the three parties as we tried to make this line go faster, get the people registered, and then send them back to their polls to vote.

That was a ridiculous waste of time. They have since changed that in the provincial act so that if you have to travel to the returning office to be sworn in you can at least then vote in the returning office.

On the federal level we have not had even that possibility. Our ridings are large. The hon. member and I both have urban ridings, although his is probably more populous than mine, and it is still a very similar problem. We have people who work shifts and are never home when enumerators come to call. I know that allegedly, and I am sure they tried to do this, cards and telephone numbers are left to get people before the revising officer or to have the revising agents come back, but time and again it does not work. People wake up on election day to discover that they are effectively disenfranchised.

Specifically I think it is a small thing. It would cause so little difficulty that there is no reason for it not to be done.

• (1120)

In the recent civic election in Halifax, several weeks before the election, I started to wonder if I was on the voters' list. I had seen nothing in the way of a card or anything like that in my door because like all of us in this House, I spend at least four days a week away from my own residence in Halifax.

When I went to vote on election day, it turned out I was indeed on the list. Of course in the civic election in Halifax you can be sworn in right at the poll. It is the same sort of thing. The same number of electors, the same people are enfranchised in that election as are in a federal election.

The swearing in at the individual poll did not create any kind of chaos or hold up matters to any degree that was even noticeable. It made people a lot happier about the electoral process. When people came in and were told they were not on the list at all: "Gosh, do I have to go here? Do I have to go there?" "No, just go to that table right there. You are set. You can be sworn in."

I think possibly—I do not know whether the hon. member had this in mind—it might be one small step in making the electorate slightly more sanguine toward politicians. I merely wish to say that I give this my strongest support and hope that this amendment will pass with the greatest possible speed. It is something that is to the benefit of all Canadians and it should be done.

Ms. Margaret Mitchell (Vancouver East): Mr. Speaker, I will not take much time but I would also like to strongly support this motion from the other side of Canada.

We have just been through a provincial election where there was no possibility for people to vote if they had not been on the voters' list and had not gone to pre-election registration places. I can tell you that in the east end of Vancouver, there were whole blocks of people—I am thinking particularly of people in native housing, for example—who were left off the list.

It was a real abrogation of what we call a democratic process. I know most of my party would strongly support this.

[*Translation*]

Hon. Bob Layton (Lachine—Lac-Saint-Louis): Mr. Speaker, I welcome this opportunity to comment on the proposal tabled by the hon. member for Don Valley West to amend the Canada Elections Act.

Mr. Speaker, the hon. member's purpose in proposing this amendment to the Canada Elections Act is to allow urban voters to have their names added to the list of electors on a polling day, as is presently the case in rural areas. I myself represent the riding of Lachine—Lac-Saint-Louis, a riding that is both urban and suburban.

[*English*]

At the moment, under the Elections Act, a rural voter whose name has been left off the official list can have his name added and can vote on election day.

All of this has been expressed in this House. There has been the experience of the electors who were not on the list and could not vote in the urban ridings. The rural voter simply has to take an oath and have someone whose name appears on the official list vouch for him or her. This is not possible for urban voters under our current electoral system.

In the urban areas, an enumeration team of two people calls on each household to fill out the record of enumeration. After these visits each qualified voter should receive a notice.

Too often people are not available at the time of the call, and a notice of enumeration card is to sent in the mail. The purpose of the notice is to confirm the that voter's name is on the official list to explain where and when to vote.

After the enumeration, the official list can be revised. It is still possible for an urban voter to have his name added to the list, but he must make a special effort to contact the Elections Canada office for his riding to find out where the revision office is and when the revisions will take place. He must then make personal or sworn application to have his name added to the list.

The urban revision offices close on the seventeenth day before the election. If at this time an urban voter's name is not on the list, he loses his right to vote.

Contrast this, Mr. Speaker, with the situation of a rural voter who may have his name added to the list even on election day.

I believe that the bill before us raises two principles which are central to the values we hold as Canadians: the principle of democracy and the principle of equality. In Canada our democratic rights are guaranteed by the Charter of Rights and Freedoms. Section 3 of the charter says that every citizen of Canada has the right to vote in an election of members of the House of Commons or a legislative assembly and to be qualified for membership therein. This is a constitutional right.

The Canada Elections Act then sets out the rules for the exercise of the constitutional right to vote and as with all entrenched rights, the right to vote is guaranteed, subject only to such preamble and reasonable limits prescribed by law as can be demonstratably justified in a free and democratic society.

Canada has virtual universal suffrage. There are limitations; exceptions for federal judges, prison inmates, patients in mental institutions, and those who are disqualified for corrupt or illegal electoral practices. All citizens who are 18 years of age or older are entitled to vote. But if you are a qualified voter who wants to vote, your name must also appear on the official voters' list which is compiled for each election.

The bill which is the subject of debate today brings to our attention the distinction in the treatment of rural and urban voters who wish to exercise their right to vote and although urban and rural voters both have the

undeniable right to vote, the conditions under which that right may be exercised differ. Is this the kind of distinction which violates the charter guarantees of democratic and equality rights? If it does violate the charter, is it justifiable in a free and democratic society? These are questions raised by the hon. member's bill. I do not profess to have the answers, Mr. Speaker.

The same questions raised by the bill are now being considered by the Royal Commission on Electoral Reform and Party Financing. On November 15, 1989 the government appointed five commissioners under the Inquiries Act to inquire into and to report on the appropriate principles and process which should govern the election of members of the House of Commons and of the financing of political parties in candidates' campaigns.

Over the past two years the commission has held hearings across the country and has received hundreds of submissions, some of which dealt with the differences in treatment between urban and rural voters. The commission was given a very broad mandate by the government and was asked to do a comprehensive review of electoral legislation. The commission is expected to make its report in November this year. I fully expect that the report will address this issue and will make appropriate recommendations for this House to consider. The implications of this bill have not yet been fully explored. It is not, in my view, a good idea to start making particular amendments to certain sections of the Elections Act when we anticipate a major study and recommendations for comprehensive amendments to be released within a month.

[*Translation*]

Briefly, Mr. Speaker, I think we should wait for the results of the technical study being prepared by the Royal Commission, in connection with this question of adding the names of urban voters on a polling day. We should give the commission a chance to fulfil its mandate and to make the recommendations it deems appropriate after an exhaustive study of the entire dossier.

Mr. Speaker, the findings of the Royal Commission will be released very shortly, and I suggest that subsequently we decide in Parliament what measures should be taken.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to comment briefly in support of this proposal and congratulate the hon. member for Don Valley West on this initiative.

Actually, it is quite straightforward, and not only that, it is entirely appropriate. The proposed amendment says, if we look at the explanatory note, that it would have the effect of allowing any person entitled to vote in a polling division to have his name added to the official list of electors even on a polling day. At the present time, you cannot have your name added to the list after the official deadline has expired.

Mr. Speaker, as the hon. member who spoke for the government just now pointed out, there is a Royal Commission, the Lortie Commission on Electoral Reform and Party Financing. It is true that the commission is considering the matter and is expected to submit its report very shortly, but it is also true that we as members have had a number of experiences, as the hon. member said, in 1988, and even in 1984, 1980 and 1979, and I could even go back as far as 1972. Mr. Speaker, I say that in a democratic country it is totally unacceptable that some people cannot vote because of their lifestyle, and I am thinking of people who are constantly on the road, people who live in hostels and lodgings, loggers who work in the bush, Canadians who happen to be working outside the country when the lists are drawn up, and who may be working on contract as lawyers, engineers or teachers. These people cannot vote because they missed the period said aside for having their name added to the list of electors.

• (1130)

I have seen a number of situations like this, Mr. Speaker. I even took a similar initiative in 1974–75, because people working outside the country were generally at a disadvantage, due to the fact that they could not cast their votes in their place of residence, either in Ottawa or elsewhere in the country, people who for personal reasons—some of which I mentioned earlier, including professional reasons—happened to be outside the country. In Kuwait, for instance, we had groups of experts specializing in firefighting. If there had been an election during their absence, they would have been unable to vote in Canada, and they would not have been able to have their say about the kind of government they want in this country. I could give you some examples.

And I am sure many of us could rise in this House and say: Sure, I know a lot of people who couldn't vote because they could not get their names on the list.

So I think allowing someone to report to a polling station and having their names added to the list, subject to the conditions suggested by the hon. member, including a witness who can testify to the fact that you are really the person living at that address, and second, the requisite identification—I believe this would be entirely normal and fair.

[*English*]

Mr. Speaker, I know it is a right for all Canadians. The member said that section 3 of the Charter of Rights and Freedoms says we have right to vote. Yes, we do have a right to vote and we should exercise it. We must take away those impediments that prevent Canadians from voting. Who else can do that better than the House of Commons here today by adopting the bill, getting out of the way and then letting things fall as they should.

I know there are other problems. I know there is a great discussion about a permanent list. Some people are for and others are against. I do not know what the Lortie commission will report on that. Some of us feel that that list could be used for other purposes than election purposes, for example. It could be a great lobbying tool. It could be a great list to use when sending out this third class mail that all of us do not like to get.

We have to think seriously of a permanent list. Possibly that is one of the options. However, today all we are talking about is allowing Canadians to register themselves on that list on election day if for any reason, justifiably, they could not register at the appropriate time, giving them the right to vote.

I think this is a great initiative. I want to end my comments by saying thank you very much to the member for Don Valley West.

Mr. Derek Blackburn (Brant): Mr. Speaker, I have a brief intervention to make on Bill C-286. I thank the member for Don Valley West for sponsoring this private member's bill.

There are a lot of things about our electoral system that I think need modernizing, upgrading and improving. I do not want to repeat what everyone has said so far this morning, but there is no question in all our minds that the present system has to be reformed and improved upon.

There is nothing more depressing than banging wildly on doors on election day only to find out that a whole row of houses has been left off the voters' list, or a whole apartment building for that matter.

I do have one or two reservations about this bill and they concern the ID that is necessary in rural areas as proposed by the member's bill. When we talk about rural constituencies, we often think of the old kind of rural constituency, such as mine where you have concessions and where you have mainly farmers and farm families living in that rural area. We have a lot of other rural constituencies today where there is not one farmer, where you have woodsmen, where you have people working in mines, where you have people running small business operations on remote roads, not even highways, and where you have people who have chosen a very, very remote way of life in order to get away from civilization. It is very difficult in some parts of Canada for people living in those geographic locations to find someone to come and vouch for him or her in terms of identity. It is also very difficult to find people living that kind of lifestyle who have an ID with a picture on it or a combination of a picture on one ID with a second ID that actually gives a legal or a quasi legal description of where they live.

I think that kind of provision might need some fine tuning. For example, looking at the bill technically, it proposes changed by removing in section 147.(1) and (2)(a) the word "rural". Subsection (1) grants permission to someone to be vouched for if their name is not on the list providing they meet certain new criteria. Subsection (2) spells out the criterion they have to meet in order to vote. Subsection (2)(b) is new. It requires that in addition to being vouched for either: 1. a single proof of ID with a photo and address; or, 2. two pieces of ID bearing name and address must be shown.

While this amendment does take into account our party's recommendation to the royal commission on electoral reform and party financing, that urban voters be allowed to swear in on election day, we are concerned about where people could be sworn in. This is another problem that I find with this bill, good as the bill is as far as it goes.

In my party's presentation, we recommended that various locations within each electoral district be established similar to courts of revision where urban voters left off the list could vote rather than complicate the often confusing E-day at a polling station, particularly in the dying hours of the day. We all know what it is like at a polling station. In some polling stations there is absolute chaos. People are dashing in at the last minute. It has been raining for four hours and they are on their way home from work and there is a tremendous backlog of people waiting to vote. This could add to the confusion.

If this does not happen, specific and widely known advertising of this change would have to be a must.

That is one problem we see with it. It is not an insurmountable problem and it is not one that would cause me to vote against this specific piece of legislation.

Also, as the bill proposes, having just a photo and an address seems a little odd as well. I do not know how far that goes to identifying a person in a reasonable way as being a voter in that particular polling subdivision or, indeed, in that electoral district.

Bill C-286 does ameliorate a major fault in the Canada Elections Act that left thousands of eligible voters without a vote on election day. By lumping in urban voters with rural voters it creates more problems though for rural voters than exists now in some of those rural areas that I mentioned a few minutes ago.

First, before the royal commission, my party recommended that the section requiring rural voters to be vouched for be deleted. For example, in a riding as remote and as huge as the riding of Churchill in Manitoba, it is sometimes not easy to find someone whose name is on the voter's list to accompany you to the polls. It is just impossible. As I say, you may be living in that typical Canadian cabin out there in the wilderness.

Similarly, the requirement for ID creates a problem for those living in remote areas that is even more difficult to overcome than finding someone whose name is on the list to go with you to the polls. Many residents in a riding such as Churchill for example have yet to see a photo ID. Often a birth certificate or a social insurance number is the only identification they have. As neither have their address on them, this would disenfranchise many rural voters in that kind of riding.

It is my party's feeling that there ought to be a distinction in the act that takes into consideration the inherent differences between urban and rural areas as I have just described above. Rural voters should be allowed to go to the polls alone, take an oath or affirm and vote. They should not have to be vouched for. Second, urban voters because of the higher probability of fraud and misrepresentation must be covered under a different set of rules. This bill is directed strictly at allowing disenfranchised voters to vote but with enough precautions to prevent people who do not live in that poll or riding to cast an illegal ballot.

• (1140)

I will not take up any more time of the House. This bill, I think, is reasonable as far as it goes. I have made a couple of suggestions here where I think it may be improved upon.

I would hope that this bill, along with the commission on elections, will do away with the anomalies that presently exists, the unfairness that exists, and make it possible so that every one who really wants to vote on election day has an opportunity to vote.

As far as a permanent list is concerned, often we in a chamber such as the House of Commons or the provincial legislatures seem to think that everybody is as dedicated to the electoral system as we are, that everybody is as concerned about politics on a 24-hour a day basis as we are. Not all Canadians are political junkies as we are. Often, during an election campaign, they see the ads, they listen to the radio, they may even follow the local campaign, but often they do not really get interested or excited about it until the dying innings, like last night. It was one of the most fantastic baseball games I have ever had the pleasure of watching. I was fascinated from the first inning on.

In an electoral contest, often people do not start to get excited until the dying days of the campaign, indeed the dying hours in some instances. Any kind of electoral voting law has to be flexible enough to take that fact into consideration that often people do not get turned on or tuned in or excited in an election campaign until the very last remaining days. I would hope then, even at the last moment, if they choose at the last moment to go and vote, that is their right. They do not have to choose a week or ten days ahead. It is their right to change their mind at the last moment in a free society and go and vote. They should be able to vote at that last hour.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I too would like to make a brief intervention and compliment the member for Don Valley West in bringing forth this bill.

The hon. member for Brant raised some interesting technical points. The whole motion here before us, as I read it, is to refer the bill to a legislative committee so that some of these matters could be discussed further. I was really quite surprised and very interested initially in the remarks of my hon. friend from Lachine—Lac-Saint-Louis. I really thought he was going to be wholeheartedly in support of the bill. He, as I understand it, has some of the same problems I have. His riding is obviously more urban than rural. Mine is more rural than urban.

However, the reason I am most interested in the bill of the hon. member for Don Valley West is that all the problems of election that were mentioned by other members about election day are there. I am not going to repeat them. The thing that cannot really be explained to voters is that just because of a division on the street and one happens to be on the urban poll and one is in the rural poll, that under the present Elections Act that urban voter, as everyone has said, just cannot get to vote.

His neighbour across the street, depending on the boundary between the urban and the rural poll, as it is in many areas of my riding, that person under the law can go and be sworn in. I really think it is a step in the right direction.

With all respect to my hon. friend from Lachine—Lac-Saint-Louis, who used to be an eminent chairman of the Conservative caucus, I would think he would be totally behind this bill. Pierre Lortie, the chairman of the Electoral Commission, is someone for whom I have the highest respect. I appeared before that committee on several matters of concern to me. I was also pleased to be a member invited on a seminar he held and he held different seminars on different parts of the country on phases of his mandate. I know it is the intent to bring forward that commission report in late November. We all know the realities of reports and royal commissions.

As I understand it, he is not only intending to bring forward a royal commission report, he is intending to bring forward a draft bill to help expedite the discussion. My fear is, in terms of reality and all the changes in the world and/or changes that may be in the progress of bills through this House as we move closer to an electoral date, that with the best intentions in the world, the Electoral Commission report of Mr. Lortie and his commissioners will perhaps not get through the House in time for another election.

I think it would be a really unfortunate situation if we could not first help the Lortie commission by having this sent to a committee so they could see some of the concerns of members that might help them in their report.

In any event, having it come out of committee and make that small change in terms of the total ambit of the Elections Act, but certainly a very fundamental change affecting so many voters in Canada, I do not think the Lortie commission would feel compromised at all. I think that might be one thing they might be very pleased about, along with all the other questions about permanent lists and everything else.

I think we should give it support, get it in to committee, have further discussion as hon. members have already raised, and then get this changed so that all voters in Canada are treated equally on election day.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, just after the November 21, 1988 election, I quickly wrote to the Chief Electoral Officer because I had some very angry constituents who were left off the voters' lists and could not vote. One constituent had a sandwich board and was walking along the main street, protesting because of the loophole and the weakness in our law. As she pointed out, if she had lived on a farm in a rural area she would have had the right to vote but, because she happened to live in the city of Toronto, she was denied the right to vote.

In the 1984 election we had enumerators miss out a whole sixplex. If you have three or four voters in a sixplex, that is the difference between winning and losing an election.

Mr. Speaker, when you win an election by 74 votes like I did in 1979, you know the importance of each vote, especially the ones who are left off the lists through no fault of their own. Many of these people with their jobs are out of the country when the enumerators come

around. Many are on vacation. Many in my riding, and I am sure this applies to other urban centres, are afraid to open their door when the enumerator knocks on the door. You can hear the television going, you can hear people talking, but because there is so much crime infiltrating our streets and our apartment buildings, they are afraid to open the door.

I recommend to this House that we look seriously at a permanent voter's list. The city of Toronto has now enumerated its voters for municipal elections via mail, and it is working quite well. I think through mail and through a permanent voters' list, we will avoid this nonsense.

I am looking at this bill to determine how serious this government is about parliamentary reform. I congratulate the member for Don Valley West for bringing this bill forward, a bill with which all individual members can agree. If we all in this Chamber right here agree that it is a good bill, let us pass it. Let us get on with it and let us do it.

If the government is going to block this bill, then the government is not serious about parliamentary reform. Regardless of what the Electoral Commission is doing and what it reports, fine, this does not take away from it. Here is a piece of legislation that a private member is bringing into help the electoral process. Let us support it. Let us not talk it out or whatever.

I again ask the people on the government side: how serious are they with parliamentary reform? If they are serious, they will support this bill, the way I heard from my colleagues in the New Democratic Party, the way I heard from the Official Opposition, the Liberal Party, and the way I have heard from some individual Conservative members.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): Since no more members wish to speak, the time for consideration of private members' business has now expired. Pursuant to Standing Order 96(1), the item is dropped from the Order Paper. The House suspends its proceedings until noon.

Sitting suspended at 11.49 a.m.

SITTING RESUMED

The House resumed at 12 p.m.

The Acting Speaker (Mr. DeBlois): It being 12 o'clock p.m. pursuant to order made Friday, October 25, 1991, the House will now proceed to the daily routine of business under the heading Introduction of Government Bills.

[*Translation*]

Mr. Danis, seconded by—

Mr. Gauthier: It would take another minister.

* * *

[*English*]

POINT OF ORDER

BILL C-40

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, in view of the fact that there is no minister here to second the bill, perhaps what we could do is suspend the sitting of the House for 20 minutes to a half hour in order to get a seconder for this particular bill and give us an opportunity to peruse the contents of the bill, which we have just seen by the way, for the very first time.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I think under the circumstances, considering that this bill is very important to the Canadian people and to members of the House of Commons, you will find there is ample precedence for me to second the bill and that you should be able to proceed with it.

[*Translation*]

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. member for Ottawa—Vanier.

Mr. Gauthier: Mr. Speaker, I am sorry, but I cannot agree if there is no other minister in the House to support a resolution which the government considers important. I find it absolutely unacceptable!

[*English*]

We will not accept that. We want to see this bill properly supported by the government in power, not by a parliamentary secretary. As far as I am concerned it is only fair to the opposition members if you want good,

reasonable and intelligent debate to give us the appropriate time to look at the bill before it is introduced.

Mr. Rod Murphy (Churchill): Mr. Speaker, I find it ironic that when there is no postal dispute at this time in the country, we have an act to provide for the continuation of postal services. I think it is only reasonable that the House of Commons ask that a member of the cabinet return to the House and do his or her work.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I thank the various members who have spoken for giving their opinion, but the Chair would point out that nowhere do the Standing Orders say that a minister must be present to second the tabling of a bill. Therefore, I—

Mr. Gauthier: Point of order, Mr. Speaker!

The Acting Speaker (Mr. DeBlois): Yes, the hon. member for Ottawa—Vanier on a point of order.

Mr. Gauthier: Before you so rule, Mr. Speaker, I think that nothing in the Standing Orders says that a parliamentary secretary or another member of this House can second a bill either.

The customs and traditions of this House have always required two ministers, one to move and the other to second, and that is how it has always been. That is how it should be too, Mr. Speaker.

I see where you are coming from and you will probably rule that the Parliamentary Secretary to the House Leader can second the minister's motion. But, Mr. Speaker, I challenge you to show me before you give your ruling exactly what Standing Order you base it on.

The Acting Speaker (Mr. DeBlois): The Hon. Parliamentary Secretary to the Leader of the Government in the House of Commons has the floor on the same point of order.

[*English*]

Mr. Cooper: Mr. Speaker, I want to make a couple of points.

The first is that we are operating under House order which all parties agreed to last week. The reason we agreed to that is we wanted to see the negotiations continue over the weekend in the hopes that what we would see happen is an agreement without the House having to act as we are prepared today.

The second point is that there is no doubt in my mind that we try by tradition to have a second minister here. I have seconded bills.

I see we have a minister now, so we can continue.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I ask the Opposition House Leader not to prolong it unduly since there seems to be a solution to our problem. The Hon. House Leader of the Opposition.

[*English*]

Mr. Dingwall: Mr. Speaker, I just wanted to underline, now that a second minister has entered the House, we will be able to proceed with second reading.

I cannot allow the parliamentary secretary to suggest that this matter is of such great importance that the government cannot provide in this Chamber two members of the cabinet to be in the Chamber at the appointed hour, twelve o'clock, in order to introduce this bill.

I find it totally unacceptable. I find it exceptionally sloppy on the part of the government and it underlines the sloppiness of the government in its desire to try to solicit co-operation from the opposition parties which have co-operated at every stage of this particular operation.

I wish to put the parliamentary secretary on notice through you, Mr. Speaker, that this kind of conduct, this kind of behaviour certainly does not lead us well in terms of co-operating in the future on future bills, on future motions and anything that the government wishes to bring in in terms of parliamentary legislation.

Mr. Cooper: Mr. Speaker, I cannot let that very strong language rest on the record without some sort of comment.

I want to indicate to the opposition members and particularly to the House leader of the opposition that certainly we appreciate the co-operation he has given us. I want to look forward to it in the future, and he knows full well that we on every occasion try to do our best co-operate and to work with him.

He should understand as I am sure everybody else in the House does that we have an important cabinet meeting going on at this moment. As a result of that, a

couple of ministers were delayed in getting here. We have them. Let us proceed.

ROUTINE PROCEEDINGS

[*English*]

POSTAL SERVICES CONTINUATION ACT, 1991

MEASURE TO ENACT

Hon. Marcel Danis (Minister of Labour) moved for leave to introduce Bill C–40, an act to provide for the continuation of postal services.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Danis: Mr. Speaker, when I rose in this place to address hon. members on the introduction of legislation bringing about and end to a damaging labour dispute, it was my hope I would not find it necessary to do so again for a long time to come.

Regrettably, this wish has not been fulfilled and I rise today to introduce legislation, the Postal Service Continuation Act, 1991.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Mr. Danis, seconded by Mr. Blais, moves that this bill be now read the first time and, pursuant to the order adopted on Friday, October 25, 1991, be deemed printed.

Bill read first time and deemed printed.

The Acting Speaker (Mr. DeBlois): When shall this bill be read the second time? Pursuant to the order adopted on Friday, October 25, 1991, now.

GOVERNMENT ORDERS

• (1210)

[*English*]

POSTAL SERVICES CONTINUATION ACT, 1991

MEASURE TO ENACT

Hon. Marcel Danis (Minister of Labour) moved that Bill C–40, an act to provide for the continuation of postal services, be read the second time and referred to Legislative Committee H.

He said: Mr. Speaker, the legislation is designed to ensure the continuation of postal operations and provide a mechanism for the settlement of the current and long–standing labour dispute between Canada Post Corporation and the Canadian Union of Postal Workers.

It is never a pleasant task for a Minister of Labour to resort to legislation to bring about an end to an industrial relations dispute. However, in this particular case the parties to this dispute have been afforded every possible opportunity to resolve their differences through the provision of extensive conciliation and mediation assistance over the past two years.

Despite the efforts of a conciliation officer, a conciliation board and one of the most highly respected labour mediators in this country, the parties have failed in their attempts to find an acceptable compromise to their differences.

[*Translation*]

Mr. Speaker, I remind hon. members that these negotiations impact on all Canadians who depend on the postal service for reliable and efficient delivery of the mail. One has only to recall the sight, earlier this year, of senior citizens lining up in the sweltering heat to collect income security cheques, to realize the potential for disruption to the income flow of the elderly, the unemployed and those requiring social assistance.

Numerous businesses which rely on the mail for their economic existence are also severely impacted by any significant interruption to postal service through a work stoppage. The government, as the protector of the public interest, cannot subject the citizens of this country to further disruptions which have the ability to impact on their health and well–being.

[*English*]

It may be worth while for me to briefly review the current dispute before commenting on the legislation which I have introduced today. The present negotiations between Canada Post and CUPW constitute the first round of bargaining between these parties since a 1988 decision of the Canada Labour Relations Board to reorganize the structure of bargaining units at Canada Post.

Negotiations between the parties are focusing on an attempt to arrive at a new single collective agreement for

some 45,000 operational employees to replace seven previous collective agreements which expired in 1989.

[*Translation*]

The Canadian Union of Postal Workers filed a notice of dispute on September 12, 1989, and a conciliation officer was subsequently appointed to assist the parties in their efforts to reach a new agreement. The conciliation officer held a total of 78 meetings with the parties over the course of a one-year period extending through October 1990.

Needless to say, progress was slow due to the extensive number of union and employer demands placed on the bargaining table—some 250 by CUPW and more than 60 by Canada Post. In addition, the process of merging terms and conditions from seven agreements into one comprehensive contract has proven to be a formidable task.

[*English*]

Initial discussions during the conciliation officer stage centred on the grievance arbitration backlog and with the assistance of the officer the parties signed a memorandum of agreement in February 1990 designed to expedite this resolution. Unfortunately, this stage of the conciliation process did not result in the resolution of any other major issues and in October 1990 the conciliation officer reported to the minister that he had been unable to assist the parties in reaching an agreement.

Given the complexity of the dispute with seven collective agreements being merged into one and the large number of issues in dispute, the parties were notified on October 31, 1990 of my predecessor's decision to establish a conciliation board to deal with the dispute.

[*Translation*]

The Conciliation Board, chaired by Mr. Marc Lapointe, a former Chairperson of the Canada Labour Relations Board, began meetings in January of this year and after some 60 sessions over the course of a seven-month period, filed its report with me on August 12, 1991. It is important to note here, Mr. Speaker, that the parties to the dispute each chose their own respective nominees to the Conciliation Board—Mr. Arnold Masters for the employer and Mr. Jacques Desmarais for the union. The two nominees were then able to agree on the appointment of Mr. Lapointe as a chairperson acceptable to both parties.

[*English*]

In its report, which was released to the parties on August 16 of this year, the conciliation board noted that while it had been unable to assist the parties in reaching a settlement it had succeeded in reducing the items in dispute.

More importantly it managed to bring in excess of 300 unresolved union and management demands into sharper focus by identifying the nine major and twenty minor issues separating the parties. The conciliation board report addressed these issues and in most instances made recommendations or suggestions for settlement.

The board also commented on the obvious lack of improvement in the labour relations environment at Canada Post and the degree to which this frustrated the members of the board in its effort to find a settlement.

The report stated: "The present conciliation board has found no improvement in these relations. On the contrary the extent of the exacerbation has further increased in some instances to the point of contempt, if not palpable hatred, and the distrust has reached new heights".

As I indicated, the report of the conciliation board signed by the chairman and the employer nominee along with the minority report of the union nominee were released to the parties on August 16, 1991. The parties began direct negotiations on the same day as the release of the report using it as a basis for further discussion. With no settlement in the dispute CUPW initiated rotating strikes at various locations across the country on August 24.

On August 30, 1991, I contacted both Canada Post president, Donald Lander, and CUPW president, Jean-Claude Parrot, to impress upon them the need for the two sides to make significant progress and direct negotiations over the course of Labour Day weekend.

[*Translation*]

Mr. Speaker, officials of the Federal Mediation and Conciliation Service of Labour Canada met with representatives of the parties on September 2, 1991, to evaluate the progress which had been made in talks since the release of the report of the conciliation board.

Following the report from my officials, I concluded that an agreement was not close at hand for the parties and that the public interest warranted government intervention to end the disruption in postal service. I met with the two sides and discussed various options open to me at that point.

Given what I perceived as a sincere desire on the part of the two sides to reach a negotiated settlement, I agreed to appoint a mediator to assist the parties in resolving their differences.

[*English*]

On September 5, 1991, I appointed Chief Justice Alan B. Gold of the Quebec Superior Court as mediator in the postal dispute. With his appointment the parties agreed top return to work, restore the collective bargaining agreement, resume normal operations of the post office, and participate in mediation with their best efforts to find a settlement.

I am sure that hon. members will be familiar with Judge Gold's reputation as a respected and knowledgeable practitioner in the field of labour relations. He has been instrumental in resolving major disputes in several federal industries, railways, longshoring and postal operations, to name a few. Judge Gold is viewed by both labour and management as an individual who embodies all of the personal traits required by a mediator and has earned the trust and confidence of the parties.

Through his many years of mediation experience he has demonstrated the credibility required to be fully acceptable to both employers and unions in numerous major bargaining disputes. In this particular dispute Judge Gold spent six weeks in mediation efforts with Canada Post and CUPW and gave the process his fullest possible attention. On several occasions Judge Gold made personal sacrifices and alterations to his own agenda to accommodate the mediation process, and for this display of dedication to duty on his part I extend my sincere personal appreciation.

• (1220)

On October 23, 1991, I met with Judge Gold who advised me that he was ending his mediation because despite their very best efforts there were difficulties they could not resolve. Judge Gold indicated that the parties had bargained honestly and in good faith.

[*Translation*]

On October 23, 1991, I met with Judge Gold who advised me that he was ending his mediation because, despite their very best efforts, there were difficulties they could not resolve. Judge Gold indicated that the parties had bargained honestly and in good faith.

[*English*]

As hon. members will know I had intended to introduce legislation last Friday, but after meeting with the parties I concluded that they wanted one last opportunity to pursue a negotiated settlement of the issues remaining in dispute. Despite their continuous attempt over this past weekend, the two sides have been unable to reach a final accord of their differences.

[*Translation*]

Mr. Speaker, as you can see, the two parties involved in this labour dispute have been provided with every opportunity to bring their differences to a satisfactory resolution. They have been afforded the full range of options available under the dispute resolution process contained in Part I of the Canada Labour Code.

Direct negotiations, 78 meetings with a conciliation officer, 60 meetings with a conciliation board and six weeks of intensive mediation with one of Canada's best mediators—the process has been stretched to the limit to afford the parties an opportunity to reach a fair and equitable settlement through the collective bargaining process.

[*English*]

When an individual of Judge Gold's stature announces his withdrawal from the dispute resolution process, the message becomes loud and clear. That message is that these two parties, Canada Post Corporation and the Canadian Union of Postal Workers, despite their genuine efforts are simply not able to negotiate a settlement to this dispute at the bargaining table.

[*Translation*]

Mr. Speaker, given these circumstances and the possibility of further disruption to postal services across this country, I am introducing the legislation before you today—the Postal Services Continuation Act, 1991. In addition to ensuring the continuation of postal services, the Act provides for a mechanism to resolve the issues in dispute between the two sides.

Under the proposed legislation, the term of each of the seven collective agreements is extended to July 31, 1993. The bill provides that an arbitrator will be appointed and given the task of amalgamating these seven previous collective agreements into a single collective agreement.

The legislation then provides that the arbitrator will try to build upon the significant progress made by the parties, particularly Judge Gold's mediation, as well as items settled by the parties themselves in direct negotiations and recommendations by the Conciliation Board.

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Under the proposed legislation the term of each of the seven collective agreements is extended to July 31, 1993. The bill provides that an arbitrator will be appointed and given the task of amalgamating these seven previous collective agreements into a single collective agreement.

The legislation then provides that the arbitrator will try to build upon the significant progress made by the parties, particularly under Judge Gold's mediation, as well as items settled by the parties themselves in direct negotiations and by the conciliation board.

I might point out to hon. members that nothing contained in the legislation prevents the parties from agreeing to amend any provision of the collective agreement binding upon them, with the exception of the term of the agreement, and any efforts which they are so inclined to undertake have of course my full support.

While both of the parties have expressed a preference for a negotiated settlement of major issues in dispute, there remains the cold, harsh reality that they have been unable to do so for over two years.

Furthermore, this dispute has caused the parties, their employees, Canadian business and the public considerable uncertainty. It is time to bring the dispute to a fair and equitable conclusion.

[*Translation*]

While both of the parties have expressed a preference for a negotiated settlement of major issues in dispute, there remains the cold, harsh reality that they have been unable to do so for over two years. Furthermore, this dispute has caused the parties, their employees, the Canadian business community and the public considerable uncertainty. It is time to bring the dispute to a fair and equitable conclusion.

Mr. Speaker, I know other hon. members will wish to speak to this bill so I will be brief in my concluding remarks. Some 25 months have passed since the expiration of the previous collective agreements covering these employees. Extensive conciliation and mediation assistance has been extended to the parties throughout the bargaining process.

All efforts to find a solution to the dispute were exhausted by Judge Gold. The parties have proven incapable of resolving their differences at the bargaining table. Once again, the Canadian public is faced with the prospect of a protracted and damaging test of economic strength between the Corporation and CUPW and the resulting disruption to postal services.

While I am disappointed that the parties have failed to achieve a new collective agreement, I do not question the sincerity of their efforts at the bargaining table. Nor do I question the process itself—I remain a firm believer in the collective bargaining system despite its occasional imperfections. Having said that, the government has an overriding responsibility to the Canadian public to bring this lengthy dispute to a fair and equitable resolution without further delay.

The legislation ought to be seen as a mechanism which will not only ensure the continuation of postal services but will also allow the parties to conclude this chapter and build on the progress which they have made towards an improved relationship. I would therefore urge all hon. members to support the proposed legislation.

[*English*]

While I am disappointed that the parties have failed to achieve a new collective agreement, I do not question the sincerity of their efforts at the bargaining table, nor do I question the process itself. I remain a firm believer in the collective bargaining system despite its occasional imperfections.

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This legislation ought to be seen as a mechanism which would not only ensure the continuation of postal services but would also allow the parties to conclude this chapter and build on the progress they have made toward an improve relationship.

I would therefore urge all members of this House to support this legislation.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before I recognize the Official Opposition critic, I would like to recall, in response to the question about seconding motions, the following citation from Beauchesne's Sixth Edition, paragraph 465(2), and I quote:

> (2) While a Government Order must be moved by a Minister, it may be seconded by any Member of the House.

That being said, debate is resumed. The hon. member for Kenora—Rainy River.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, before I get into the substance of the bill and the discussion at hand, I want first of all to say to the minister and the government opposite something about this situation of giving the opposition the bill ten minutes before we are to stand up in the House to speak. If we look at this particular piece of legislation clause by clause, it is not exactly something that is standard in the sense of what we have seen in previous back-to-work legislation. We should have been given a chance to look at this piece of legislation last Friday or in fact first thing this morning.

• (1230)

As a matter of fact I did call the minister's office on a couple of occasions and suggested that they send this legislation over embargoed so that we could, as opposition members, take a look at it and speak to it clearly.

It is a very dangerous precedent, Mr. Speaker, that this place, and indeed yourself would allow this kind of situation to take place. In essence we have not even had time to read this bill line by line and clause by clause because of the shortness of time given to us to reflect on just what the words say and mean as far as the back-to-work legislation is concerned.

I thought it would be important to mention that because again I have not had an opportunity to look at this proposed legislation in its entirety. I am assuming from what the minister has said that this is to a certain extent an ordinary kind of back-to-work legislation and that there is no clause in the bill that may hit me across the forehead somewhere down the line when I realize it is not of a standard nature.

I must admit that I have spent in this particular seat here in this place a great amount of time speaking on back-to-work legislation. I believe this is the third time in the last two months that I have had the opportunity to talk to ministers' back-to-work legislation. It kind of makes you wonder how the minister can stand in his place and suggest that the collective bargaining process is working very efficiently and effectively if I have to stand here and debate with him whether back-to-work legislation is a necessity, is a good idea, and in essence maintains the credibility of the collective bargaining process.

I for one am very worried about the precedent we are continuing to set in this place. The moment a particular labour group or management group feels the necessity to either strike or in the case of management lock someone out, we in this place have to get involved in the collective bargaining process and bring in back-to-work legislation.

The process of back-to-work legislation is obviously there when and if necessary in extreme situations. Here we have a piece of legislation called Bill C-40 which is presented today without a strike or a lock-out taking place as we speak. It is very unique in the Canadian labour movement to see a government bring in legislation before we see whether the two sides can continue to look towards a resolution, before both sides officially come out and say to the country and to the world: we cannot come to an agreement; we are going to lock out or go on strike. Therefore, the government obviously has the option of suggesting that we cannot afford to have that kind of scenario in this country and therefore we will bring in back-to-work legislation.

This is not back-to-work legislation. This is essential service legislation brought in through the back door. That is basically what this says, that we consider Canada Post an essential service and therefore we will put in place legislation of this nature to make sure that there is no strike in case the union decides to go on strike, or in case the postal corporation decides to lock them out.

I want to set the record straight in that regard, Mr. Speaker, because it is essential for people to realize that it is something that is not normally done in this government. It is not normal in this country for the government to bring in legislation before the situation has even occurred.

Mr. Speaker, just for your information, the clocks do not work at all here, so you might have to tell us how much time we have. I cannot go by looking at the clock in this place because at the moment, for example, it says 6.30 and it is closer to the noon hour.

The Acting Speaker (Mr. DeBlois): You have 40 minutes to speak and you have 35 minutes left.

Mr. Nault: Thank you very much, Mr. Speaker. I know the minister across the way is very pleased that I have 35 more minutes to go.

I want to talk about a couple of issues in the time that I have left. I also want to inform the minister opposite and the government side and all members in this place that I will be presenting a motion at the end of my allocated time. Mr. Speaker, I am going to read my motion so that everyone can reflect on it while I complete my comments.

My motion will be a little bit about this particular issue that we have in front of us today. I just want to read it and I will read the end:

> —and that this Act shall come into force at the time the Governor in Council appoints a commission of inquiry under the Inquiries Act for the purpose of inquiring into labour relations between Canada Post Corporation and its employees.

That amendment to this particular bill has a lot of significance to myself and to many Canadians who are listening and to the members in this place. The reason is that on the one hand the government says that the collective bargaining process is working very well, but on the other hand the government is suggesting that after two years of collective bargaining and negotiation this whole process is still not resolved. As a matter of fact, in 1987 the same situation existed with the same government. It brought in back-to-work legislation. This back-to-work legislation in 1987 was also brought in because both sides could not resolve their differences.

Here we are again in 1991 bringing forward back-to-work legislation even though we are not sure anybody is going on strike or lock each other out because both sides cannot come to an agreement. Both sides are very up front when it comes to informing the public and doing a lot of their negotiating in the media. Both sides are suggesting that there is a lot of unfair bargaining going on, that there is no bargaining in good faith and that the other side does not want to look at the issue as it relates to its importance to the union, to the membership, to security, contracting out and to the grievance procedure. All these issues are not resolved.

On the corporation's side, the corporation is suggesting that the union is archaic and is not willing to be flexible and adjust to the realities of modern society and the needs of a modern corporation.

When you hear both sides talking like that, on the one hand the union side and on the other hand the corporation's side, it makes you wonder as a Canadian just what is going on at Canada Post. It is high time that we find out what is going on at Canada Post. It seems to me that we should have a commission of inquiry to look into the over 130,000 grievances. Anyone who has been involved in collective bargaining in this country can tell you that if there are that many grievances, regardless if some of them are fabricated as some members opposite have suggested, the fact remains that things are not well over at Canada Post. The situation between workers and management simply has to be looked at by an independent third party.

If we are going to look at legislation every time Canada Post and CUPW go to the negotiating table, in essence every two or three years, we will have back-to-work legislation. It is a fact that following back-to-work legislation, arbitrator's rulings never rectify the differences of either side. They simply delay the process, the inevitability of some sort of sense of compromise by both sides and the good labour relations necessary to make those compromises.

When I look at the hundreds and hundreds of articles, and I have them in front of me, and the communiqués of the two sides in their positions, they seem to be so polarized and of such different philosophies that no one in their right mind could stand up in this place and say

that the collective bargaining process between CUPW and Canada Post is functioning properly. There is absolutely no one in this place who could say that in all good conscience.

I want to emphasize that this commission of inquiry would give us as Canadians a sense of security that three years down the road we will not be going through the same process that we are going through now, that there will not be disruptions of service, there will not be allegations from both sides that the whole process of collective bargaining is not working and that we as Canadians can feel comfortable that our postal service is a reliable service.

• (1240)

That is the issue at heart here, but not so much for the workers in a sense because they have a process to follow and they are looking for a good collective agreement, a good working environment, a good wage and good job security for the future. Those are all issues that are paramount in collective bargaining and there is no disputing that. The argument that we are faced with here today concerns what will be resolved when Bill C-40 is implemented and the arbitrator is put in his place and makes a ruling on particular issues.

It is a well known fact that most arbitrators will only go a certain distance and not all the way to support one side or the other. In essence, we have again delayed the inevitable.

I look to the government to ask itself two questions. One, does it really believe that this back-door essential service legislation will rectify the problem in the long term and if not, why not and what is it proposing to do with it? Second, if it is true that both sides cannot seem to come to an agreement, why not put in this kind of inquiry which has been done in certain cases?

When we hear the kinds of comments that come from both parties in the press and on our television screens, we must as MPs wonder just what is happening at Canada Post. We have people coming before us in the informal inquiries the opposition parties have put through saying that they are getting harassed at the work place, that they are getting spied upon, that in essence it is bugging its own employees through the telephone system. These are accusations that in some instances are unfounded but in other instances make us as members of Parliament ask that particular question that we always ask: "What is going on at Canada Post".

I would ask the government and the Minister of Labour to strongly look at my suggestion of this particular commission of inquiry simply because without it we will be at it again. Perhaps the minister is not too worried about it because it may be another party's problem by that time and we will have to deal with it over here on this side, but he will be over on that side and so he is not overly worried about it. I think it is important for the workers of Canada Post and for all Canadians to know exactly what is going on at Canada Post.

I want to talk about some of the issues that are outstanding. I want to talk a bit about the mandate of Canada Post. This government has suggested to Canada Post that the first thing Canada Post has to do is become more efficient. Through that whole process the government is suggesting that Canada Post has to make a profit.

Mr. Danis: What is wrong with that?

Mr. Nault: There is nothing wrong with that. The minister asks me that question. I can assure you there is absolutely nothing wrong with that. There is something wrong when the rest of the mandate, which is what Canada Post is also all about, service, seems to be lost in the whole shuffle. There is nothing wrong with being efficient. There is nothing wrong with making a profit. The question is: What do you do with the profit?

That is a good question to ask in this place. The government says: "We are going to reduce the deficit". In essence the government is saying to people out there who get service from Canada Post: "You're going to get a reduced service because we're going to reduce the service in order for us to make a profit". In a country as large as ours, in areas like mine in northern Ontario, you cannot make a profit. It is impossible.

What did it do with the service in northern Ontario? Let me tell the House what it has done. It has cut post offices out completely. It has also reduced service in the sense that we no longer have door-to-door delivery. Now we have what are called supermailboxes.

The minister has to quickly understand that is a reduction in service. In the rural areas, if I am not getting my mail at the door I have to drive 10 miles to pick it up. This is what people are doing. At the end of their road they are picking it up with their own car or in some circumstances having other people pick it up for

them because they do not have a car, because they are poor, because they are seniors and cannot move around and are stranded.

They get family members to do it. It is fine for these ministers. One is from Toronto and one is from Montreal. They probably have never been in rural Canada long enough to realize that there is a difference in the way we live. We have to understand that they have now cut service. We used to have postal service four or five days a week; five days a week in most cases and six days a week when we had post offices. We are now getting postal service twice a week, that is if it shows up at all. Service has been cut and that is what the issue is all about.

Let me just use one particular suggestion made by the union during this whole negotiation. The union suggested that they should take some of the profit that Canada Post is now making by getting rid of all these post offices—and the dollars they are talking about are $42 million a year—to expand door-to-door delivery. Does it sound unreasonable to you as the Speaker and to people out there who are listening that now that Canada Post is making money it should put it back into service so that we get better service? That is really what Canada Post is supposed to be.

The reason we put Canada Post into this kind of monopoly system that we have was because we as Canadians realized that Canada Post was not just a business, that it was an essential service needed by Canadians because of the large geography we are dealing with in this country. There are only four or five locations in this country where Canada Post can make money. In the rest of the places that it deals with there is no money involved. It is all subsidized, and it is subsidized to a certain extent by the taxpayers of Canada which we accept as taxpayers and have always accepted.

We said to Canada Post: "You can be more like a business, be more efficient and look at ways of cutting down the amount of subsidy we are paying you. That is perfectly acceptable". We did not say through that whole process that it was to cut service to the point where there is a difference between a Canadian living in a riding like Kenora—Rainy River and a Canadian living in Montreal who gets better service because they live in a city than I get in rural northwestern Ontario because I happen to be a rural Canadian.

That was not the intent of giving Canada Post the mandate to become more efficient. We just thought it was a good idea to be more efficient.

There seems to be a significant difference between what the President of Canada Post, Mr. Lander, is doing and what the President of CUPW, Mr. Parrot, is doing. Mr. Parrot is suggesting that they will be more efficient, that they will get into technological change and improvements. They also want to make sure that we understand that they still believe this is an essential service. They still believe that they can improve the services and that as a postal union they can make suggestions to the corporate board of Canada Post on how that will work simply because they believe—and I firmly believe it as a member—that the union has a role to play in making sure the service that they supply to Canadians as far as letter carrier service and delivery of packages is the best in the world. They will maintain that.

The government is quick to say that it is the best in the world, but it is quickly becoming the worst in the world the way they are going at it. If it continues to suggest that the supermailboxes are the way to go, it will not be long before most Canadians look to some other form of getting their letters delivered because of the unreliability of the postal service.

I want the minister opposite to know that in my area I have so many grievances about the post office that I write the minister and the president of Canada Post regularly. We have created our own internal system, as a member of Parliament's office, just to deal with Canada Post because of the grievances and the people complaining on a regular basis about letters that do not show up for months on end and delivery that is unreliable. It is not because the employee is not trying. It is the fact that this particular service has been cut so thin that there is no possible way these people can do their job. I think the government should reflect on the mandate it has given Canada Post and why we are into the debate we are in today.

• (1250)

I want to talk a bit about contracting out, the ideology and the philosophy of this government. Contracting out sounds pretty good in theory. Simply put, what contracting out means is that one does not have to pay somebody benefits. That is very simply put but that is what it means. There is a big saving to the particular company that contracts out certain work.

Contracting out, if continued, will erode the service further because there is not the same commitment by people who are now the contractors working for Canada Post in a particular service, simply because the cheaper that they can get it done for the more that individual can put in his pocket. What happens is that we get the scenarios like the one in Mexico where one is told: "Don't put a letter in that system. You will be lucky if you ever see it again because the people there are not exactly reliable. They are not people you can trust". Canadians have always felt very secure that they can trust their letter carriers and that they can trust the people behind the wicket at the post office in their home towns.

Now we are being asked to trust someone making minimum wage who really does not want to be there, someone wishing for a much better job with benefits included. Why should they give a darn if a letter goes missing or not? It is not big deal for them. That situation is something that is quickly going to come to fruition as far as Canada Post is concerned once it realizes this whole process of change that is going through.

Another issue in this country—and we talk about this very fondly—is that we have set up a social net to look after Canadians. We have set up a system called benefits and the paying into of programs called pension plans. However, the government seems to forget is that if people are not given benefits and they do not pay into their pension plans, eventually down the line somebody is going to have to look after these Canadians. If the benefits of 42,000 or 45,000 people at the post office are reduced, there may seem to be some sort of benefit as a corporation today by making a profit, but who is going to pay for those people down the line when they retire? They were making so little they never had an opportunity to save any money and they never paid any benefits into any plan. What do they do? Obviously they will have to be looked after by the state.

We talk in this place very often about what goes on in the United States versus what goes on in Canada. When we look at those people living on the streets in big cities in the United States who have nowhere to go, no benefits, no nothing, it makes us wonder whether that is the kind of system we are talking about when we talk about these kinds of processes of contracting out and not having any benefits for our workers.

If we have job security and benefits for workers, it is going to save us something down the road. It is not something that we should look at as being something we cannot afford because in essence we will have to pay it anyway.

I want to talk a bit again about bargaining in good faith. I for one am appalled at the game that the government continues to play. On the one hand it says to CUPW and Canada Post that it expects them to bargain in good faith, but at the same time it continues putting out the message, as it did in the grain handlers' strike when it said to grain handlers: "We are going to bring in back-to-work legislation". The minister responsible for grains and oilseeds went to Winnipeg and said: "We are going to put them back to work through back-to-work legislation", even as they were in the process of trying to negotiate with a mediator, a person from the Minister of Labour's office who was down in Thunder Bay in the mediation office trying to get the negotiation kick-started again.

Anyone who has ever been in a negotiating room knows that once you get those kinds of mixed messages and signals the negotiation is finished, it is off, because one side or another feels very comfortable that they will do better with the arbitrator than what is being proposed at the bargaining table. My sense of what has happened is that Canada Post management has a lot more respect and they hope that the arbitrator will be more on its side than the union does in this case. I think it is feeling that it will get something beneficial, more so than what CUPW will get.

This process of bringing in legislation before there is a strike or a lockout is a complete farce. Anybody who has ever been in a collective bargaining process or a negotiating room long enough knows that it stops everything.

The minister opposite who used to be the Minister of Labour should know that they keep sending mixed signals to the labour movement: "Either do it my way or we will bring in back-to-work legislation. If you don't like it we will put in an arbitrator who will rule in the company's favour. So you have to give concessions".

Either there is no bargaining in good faith at that bargaining table or the process that Canada Post is entering into is so bad that the workers of Canada Post fear for their jobs and therefore have no choice but to fight this every step of the way. They are quite prepared to do something that may be a little radical in nature.

My sense of it is that even if this back-to-work legislation or this essential service legislation as I mentioned before is put in place, some of the locals of CUPW will not be very pleased with the process and we will still get disruptions.

It will happen the same way it happened for PSAC. The Minister of Labour and the President of Treasury Board legislated PSAC back to work. Did that help the whole process? No, simply because they are now working to rule. They are telling us as Canadians that they are not going to put that little extra into it. They are not going to go that extra mile. In essence, the government opposite has only delayed the inevitable again, that somewhere down the line some other government is going to have to deal with the issue.

If there is one message this government should have learned by now, it seems to me it is that this country and the people in it are looking for some kind of leadership. They do not want the government or politicians to continue to delay making decisions. Making a decision of this nature is a non-decision because it has not rectified the problems of Canada Post. The arbitrator is not going to go in there and clean up the collective bargaining process that started with over 360 issues. It is not going to happen. The arbitrator is going to go in there and give them a piecemeal settlement: they are going to get some wages; they are going to get some sort of process, hopefully, for the grievance procedure which is a large stumbling block, as the minister is aware. He may deal with two or three of those issues and then he will say: "That will do until you get back to the table in 1993 to deal with this issue again". They will be back at the same process they are in right now, that is that there is a complete disagreement in philosophy and ideology of what Canada Post is meant to be and do.

The question has to be put to the government: "What do you want Canada Post to be?" If it is suggesting that it should be privatized, it should come out and say that it is going to privatize Canada Post. Everyone watching this process knows darned well that the whole process is looking toward privatization more and more every day. It wants to make this a money making proposition in order to sell it off to its friends. Nobody is going to buy Canada Post if it does not make any money. What it will do is get rid of the weak links. It will get rid of the northwestern Ontario problem. They do not make any money for Canada Post there. It will leave that for the government.

Therefore, if Canada Post is privatized, what will be left will be the non-profitable areas and we as taxpayers will then have to pay for them. The government's friends will take the profitable side, run with it and make all kinds of money as they did with some of the other privatization schemes this government has come up with.

I am suggesting that is the whole issue at hand here. I have said to Canada Post and CUPW and I say to CUPW now: "Hang in there as long as you can until we can get rid of this government so we can put the mandate back to where it was supposed to be". That mandate was to give the kind of service Canadians have always expected.

• (1300)

I simply want to say that wages are not the major issue in this whole dispute. It seems to me we always hear the media or a particular individual on television say that the issue of wages is the stumbling block. Well, it is not. The real issue is whether we are going to allow Canada Post to change the whole structure of our postal service in this country.

I am wondering really what the hidden mandate is that this government has given Mr. Lander and friends when we hear Mr. Dunstan say the kind of things he said on television in the last few months. It is shameful to have people come out and say the things they have said when we know, as Canadians, that this particular service has always been one we have been proud of.

I want to say to the mediator, Mr. Gold, that as a labour unionist and a person who has been involved in the negotiating process, I thank him very much. I would really like Mr. Gold to do us all a favour and tell us exactly what is going on at the negotiating table. I think it is high time that people realized this whole process has been nothing but a charade. Once Mr, Gold realized it, he had no choice but to step down. The gentleman we are talking about has a lot of credibility in the labour movement. For him to continue to say on the one hand he thought both sides were close and on the other hand turn around unexpectedly and resign saying he had done

everything he possibly could is quite shocking for someone like myself who is familiar with the process.

I would really like Mr. Gold to tell us in a report to the minister just where it is that these two sides are coming from and whether indeed it is as bad at Canada Post as we are hearing.

I have a bit of a bias in this whole process and I will tell the minister why. My brother works for Canada Post as a letter carrier in Winnipeg and I know the minister is aware of that. I have told him. My brother is a letter carrier and he tells me about the internal workings of his day to day job at Canada Post, his day to day activities with the management of Canada Post in Winnipeg. I obviously have a lot of respect for my brother.

One of the things he has said to me is that the relationship between management and the worker is so bad that on most days he wonders why he would even want to continue to work there. He cannot seem to see the end of the tunnel and the improvements that are going to take place that he would like to see between the two sides as far as labour relations are concerned.

I put that on the record because I want people to know that I have talked to people I trust who work for Canada Post to get a sense of whether it is really as bad as they say it is. My sense in discussing this issue with those who are in the know is that it is really bad. If it is that bad then we have an obligation as parliamentarians and the government has an obligation to investigate. During committee I asked the minister if he had undertaken a study to take a look at all the innuendo coming out of Canada Post about the harassment and whether he had indeed instructed his officials to take a good look at that. The answer was that nobody had asked him.

Leadership is simply that. You do not have to be asked. If something is wrong you go and take a look at it and see if you can fix it. I say to the minister again that through the process of this amendment which I am putting forward maybe he could formulate this kind of investigation that would clear the air once and for all of what is going on at Canada Post.

In wrapping up I want to say to the government opposite that this essential service legislation, this back-door process, is not going to resolve the issue. The ability of Canada Post and its employees to function will only be improved through good labour relations. I hope that the minister or the next government that comes into office realizes that Canada Post has to have some improvements.

I want to thank the Speaker for allowing me to go on. I hope that the minister will understand the fundamental issues that are at hand here.

I want to present the motion. I move:

> That clause 15 on page 6 be amended by deleting lines 30 to 32 and substitute the following therefor:
>
> "This Act shall come into force at the time the Governor in Council appoints a commission of inquiry under the Inquiries Act for the purpose of inquiring into labour relations between Canada Post Corporation and its employees."

[*Translation*]

The Acting Speaker (Mr. Pronovost): The Chair will take the motion moved by the hon. member for the Official Opposition under advisement. Resuming debate. The hon. member for Churchill.

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, I rise to speak on Bill C-40. I think one of the interesting things that should be pointed out is that this is the fortieth piece of legislation that this government has brought forward since the last Throne Speech. It is the fourth time that the government has brought in legislation to order workers back to work. In other words, 10 per cent of the government's legislation to date has been back-to-work legislation.

I think that gives people an idea about the status of labour relations in this country. Even though the vast majority of disputes in this country are settled without strikes there are a certain number of areas where the federal government does have to look at the problems that are faced in the Public Service. Quite often these problems are related to this government's political agenda. In other words, the agenda of privatization, contracting out and the reduction of services has created negative labour relations within this country.

I look at this legislation and have only had it for an hour but I think there are some problems with it. There is an imbalance in the legislation. It says that employees have to go back to work. At the same time it allows the employer to discipline approximately 71 people who were disciplined during the strike, and not let them come back to work. In other words when this legislation passes,

they are not guaranteed that they will be allowed back to work.

There is a presumption in the legislation that those employees are guilty of whatever management said when they made the decision to discipline them. Those employees are not given the benefit of any hearing. They are not given the benefit of any protection under a collective agreement. It is assumed that whatever management thinks is correct. Those people will not be expected to return to work as a result of this legislation.

To be fair to the minister, he does allow a clause, clause 5 (b) which states that these people can go to an arbitrator. If they win the arbitration, then they will be allowed to go back to work some time in the future. I do not think that is fair. Basically what this legislation is saying is that those people are guilty because that is what management thinks. As a result, they are not expected to go back to work. It is only later that they will be given a hearing to find out whether they were fairly or unfairly disciplined. I think that is putting the cart before the horse. It is completely unfair in this legislation.

One of the things that the government always asks us in regard to back-to-work legislation is will we pass it quickly. Will we move quickly through all stages. Will we agree to Committee of the Whole in order to pass this legislation because we do not want a postal strike. I note with interest that in the minister's speech he referred to the senior citizens who were lining up in the sweltering heat to collect income security cheques.

• (1310)

That is an example of where there was no need for our senior citizens to have a problem. The union had offered to deliver those seniors' cheques. Just in the last couple of weeks I wrote to Canada Post a couple of times trying to get it to agree that if there was a postal strike in the future it would allow those cheques to go through. It would allow the inside workers and the outside workers in this case to process and deliver those cheques. No senior would have to line up in the sweltering heat or the cold to get that cheque. They would not have to go and find some alternate post office and pick up their cheque there. We know that those cheques were often not there. Quite often seniors would line up, go to one of these centres and find out their cheque was not even there.

Here is the situation where the workers are willing to try and resolve one of the main problems of the postal dispute, and that is the delivery of cheques to pensioners, but the company for its own reasons will not agree to that.

When I hear the government saying it wants want legislation passed quickly because it affects senior citizens, we know that there was a way of resolving that dispute but Canada Post would not accept that route. For some reason, it wanted the scenes of seniors and handicapped waiting in long lines this summer. It wanted that. It knew they could have had those cheques delivered and it refused. It still refuse to accept the offer of the workers to deliver those pension cheques.

I do not always believe the government when it says in the House "you must pass this legislation quickly; you must do it—with one speaker at second reading you must immediately go into committee of the whole; you must sit up all night and pass the legislation".

I feel that process has almost become ingrained in this House of Commons.

I note with interest that in the last two pieces of back-to-work legislation, the president of the union and the employer appeared before the bar of the Senate and gave their presentations, expounding on their positions to the senators. One of the problems we have with the process of committee of the whole is that it never allows the members of Parliament who are going to vote on legislation and on clauses within that legislation to be heard from. It never allows us to hear from the people who are directly affected.

We have a process within the House of Commons which will allow people to be called before the bar of the House. That is something that the government has rejected in the past. We believe that there is a way of making sure that as we pass legislation, and indeed that is what the purpose of this bill is, to pass legislation, that we have an understanding of these clauses, that we have an understanding of what has taken place in negotiations. We should indeed know what we are dealing with as opposed to government members voting with the government and opposition members voting against the legislation.

I would think that the minister and the government may want to consider a different process. It is a process that we follow with other legislation. I offer as a recommendation for all parties' consideration that some time later today we give this legislation second reading, we send it to a legislative committee and invite representatives of the union, Canada Post representatives, the minister and perhaps one or two other groups like Rural Dignity to look at the legislation and make sure that as we go through this clause by clause we are aware of the effects of that legislation.

We are not saying that we would unduly stall the legislation. We are not saying that we would speed it through. What we are saying is that there are methods of making sure that we deal with this legislation in such a way that we, as people who were elected to the House of Commons, know what we are doing.

There are some new clauses in this legislation that we are not familiar with and have not been in other back-to-work legislation.

I think it is only fair that we understand those clauses before we vote on them, that we make amendments that are reasonable and will improve the legislation.

Someone later in the day, I am sure from the government side, will get up and say: "Well we must pass this legislation or there will be a postal strike". That is a possibility, we may have a strike for one, two or three days and it is true it would inconvenience many Canadians but on the other hand we have an obligation to make sure that we are not just a rubber stamp for whatever the government proposes but that we in our role as a court actually look at what is before us and make a reasonable judgment on the merits of legislation.

My understanding is that there are other ways of preventing this strike. Even as we go through the passage of this legislation there are items out there that could be dealt with that would actually prevent a strike as we go through the various steps in order to pass this legislation. I know that the company and CUPW have basically agreed to the wage package, that there is an agreement on the salaries and on the COLA clause. Perhaps one of the things that could be done is that we amend this legislation so that those wage increases come into effect immediately instead of waiting for 90 or 180 days when the arbitrator finally gets around to making a ruling. That is one way of showing good faith, that is one of resolving some of the issues in dispute, and it is one way of making sure there is more harmony and more peace in the post office.

Another suggestion is that we treat those people who have been disciplined in a fair manner in the same way that our court system would, in the same way that they would be treated if there were actually a collective agreement in place, and that is that they are presumed innocent and that they, too, would be expected and entitled to go to work. That is a suggestion which would help to prevent a postal strike. Another is to deal with the wage issues which have already been agreed to by both parties, make sure that those wage increases are implemented immediately and that the workers are not forced to wait because it might turn out to be three or six months prior to them receiving any pay increase. I remind people that this collection agreement is three years out of date, so those people have been waiting a long time for this pay increase.

We should make sure that those workers whom the company has decided to discipline are given a fair trial, that they are allowed to go back to work with their other employees. If the company decides at that stage that it wants to take disciplinary action then at least there is a process put into place that provides for fairness.

Those are two suggestions and we may have other suggestions as we go through the legislation. At this point, we are not willing to give immediate passage to this legislation. What we are saying is let us look at the alternatives, let us look at a referral to a legislative committee which could meet tomorrow morning, which could come back to the House later tomorrow. Let us look at those things that might prevent a postal dispute to see if we can get the company and the union to agree not to have a strike if certain clauses or certain changes are made to this legislation. Let us look at those items and let us see what can be resolved.

Later on today, if we come back to this debate, I would like to talk about some of the changes that have evolved in Canada Post. We have seen communities like Brandon, Manitoba losing its only post office and being told: "Well you can go off to these six commercial centres and pick up your mail".

When I was in Brandon, I think it was about a month and a half ago, I talked to some of the people of that community.

• (1320)

They did not know where these new commercial outlets were. They all knew where their federal government building was. They all knew where their post office was. They did not know where all these little commercial outlets were. Why should they?

They had a government post office. They knew where it was, and they had been using that for many, many years. They were completely happy with that situation. We had Canada Post in front of the House of Commons committee and we asked why it did not give very much warning to the people of Brandon, or to the workers in Brandon.

It said: "The protocol we signed only dealt with small, rural post offices. When we close a post office, the only government post office in a large centre, we do not have to give much notice".

It can go to a city council meeting as it did in Brandon and say: "In six weeks, your post office is closing". It can go to those employees and say: "In six weeks you are no longer working where you used to, you are now with some sorting outfit somewhere on the outskirts of town. I am sorry this means that you are no longer working the day shift. You are going to have to work night shift. We do not have to give warning. We do not have to be considerate of the years that you worked for us. We do not have to be considerate about what this means for your personal life".

There are many, many problems in Canada Post. There is an attitude problem in management. There is a situation there which does not respect the wants of the community. There is a situation there in which there is pretence by Canada Post that the public is after something when we know that the exact opposite is the case, that the public does not want what Canada Post is forcing on it.

There is a real attitude problem by Canada Post management. We cannot resolve that in this legislation, so I am not going to spend the time I would normally on that particular aspect, but I think that there are things that we can do as we deal with the legislation in front of us. We can make the legislation fairer.

We can talk to both parties and be sure that we do all we can to prevent a postal strike. We should not be forced into quick passage of this legislation until we have had an actual chance to hear from those people who will be affected and to make sure we put in whatever amendments are necessary to make the legislation fairer and more just, not only for the public but also for the employees who work for our Crown corporation.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Before resuming debate, I would like to announce the Chair's decision on the amendment moved by the hon. member for Kenora—Rainy River. The amendment is not in order, for three reasons: On second reading, the House is asked to vote on the principle of the legislation, and I may refer you to Beauchesne's Sixth Edition, paragraph 659, and I quote:

> The second reading is the most important stage through which the bill is required to pass; for its whole principle is then at issue and is affirmed or denied by a vote of the House.
>
> It is not regular on this occasion, however, to discuss in detail the clauses of the bill.

Second, at this stage, the amendments cannot deal with the provisions of the bill nor anticipate amendments which may be moved in committee. I may refer you again to the same edition of Beauchesne's, paragraph 662:

> Nor may such an amendment deal with the provisions of the bill upon which it is moved, nor anticipate amendments thereto which may be moved in committee, nor attach conditions to the second reading of the bill.

And for the information of hon. members, I may recall paragraph 666, in the same edition of Beauchesne's:

> 666. There are three types of amendments that may be proposed at the second reading of a bill. These are:
>
> 1. the hoist (eg. three months, six months).
>
> 2. the reasoned amendment.
>
> 3. the referral of the subject-matter to a committee.

[*English*]

Resuming debate.

MEASURE TO ENACT

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I do want to add my comments to this debate on the Postal Services Continuation Act.

That will be the act which will allow the continuation of postal services and which will set out a mechanism whereby the terms and conditions of the collective agreement in dispute will be resolved.

If there is one element of this legislation I would like to emphasize, and I think it is the most important element, it is the benefit that will accrue to all Canadians through the assurance of the return of postal services.

When we are in this House and we are debating, I think one of the things we have to remember is who we are actually serving in this House. We are serving the Canadian people, the Canadian public. The Canadian public has come to expect a level of service from Canada Post, whether it is receiving an old age pension cheque or a family allowance cheque, or the shipment of merchandise in the mail or the receipt of payments that businesses so badly need. We do need the services of Canada Post. Any disruption in that service hurts us all. It hurts this country, particularly at the stage we are at now in terms of the Canadian economy. As many of us on both sides of this House know and appreciate, we are coming through a very, very difficult period. Hopefully we are coming through that difficult period, that recessionary period. I do not think at this point in that recovery we can afford to have any kind of disruption in the level of postal services because, as I have mentioned, those businesses out there that do create and generate the wealth and prosperity in this country cannot survive without postal service.

I think it is incumbent upon all of us to recognize that early in this debate because surely one of the most important ingredients or elements within any business is the ability to receive mail, transmit mail and, obviously, send out those bills and have payment for the services delivered.

We want a reliable mail service. We want it at a reasonable cost. That is exactly what was promised in 1981 by the Canada Post Corporation Act when it was introduced and passed in this House of Commons in 1981. It was to operate a postal service which would provide Canadians with reliable and efficient service at a reasonable cost.

I do not think we are asking too much at all in that regard. I do not think it is an unusual demand to make on Canada Post to deliver that at a reasonable cost.

Most of us realize the size of this country, how big it is, and maybe we should emphasize the task that Canada Post has by reminding everyone how big Canada really is and how important that service is to Canada.

Canada Post has approximately 700,000 points of entry across the country. That includes post offices, letter boxes, supermailboxes, and points where mail is deposited into the system. Canada Post does provide delivery to more than 11 million addresses in all parts of Canada. It has a network of 25 major mechanized mail processing plants and a fleet of something in the order of 5,300 vehicles. In a country the size of Canada, it is not an easy task to deliver mail. We have a very widespread population and when you compare Canada to some of the European countries and to our neighbour to the south, it is a little bit harder to deliver mail in Canada and we recognize that.

About 20 per cent of all mail delivered is personal mail. It is mail between individuals and some of it is going to corporations. The business side of it accounts for about 80 per cent of all mail delivered in this country. That includes things such as the distribution of correspondence, invoices, advertisements, publications and products. The postal service is very much a part of the Canadian economy. It is a part we cannot ignore and it is a part we must have working well if the country is to work.

Coast to coast we have approximately 57,000 full time and part time employees.

• (1330)

Looking at it objectively, I think most of us would have to admit they do a pretty good job, although we have all experienced difficulties in our neighbourhoods, our own constituencies. Any objective measurement would indicate that they do a pretty fair job.

We are at a stalemate here. I want to emphasize what is going on and step through some of the process as we know it and what we have observed as Canadians over the last number of weeks. This becomes somewhat technical, Mr. Speaker, so bear with me as I step through some of the conciliatory process we have used up to this point.

The Minister of Labour provided first stage conciliation assistance and with no settlement at this stage, decided to establish a conciliation board. The parties to the dispute nominated their respective representatives who, in turn, were able to agree on the selection of a mutual, acceptable chairperson, being, Mr. Marc Lapointe, Q.C. Following the release of the report of the conciliation board to the parties in mid August, direct bargaining resumed.

CUPW initiated rotating strike action on August 24. Following an assessment of the dispute by senior Labour Canada officials, the Minister of Labour consulted with the parties and discussed options which were available to them.

Sensing a desire for settlement on the part of the parties, he advised them of his decision to appoint a mediator to facilitate their efforts in reaching an accord. The appointment of Chief Justice Alan B. Gold of the Quebec Superior Court as mediator in the dispute on September 5, 1991 occurred. This had immediate implications for the dispute. Judge Gold obtained agreement from the employer to restore the collective agreement provisions during the mediation process and the union agreed to terminate its rotating strikes.

While Judge Gold's mediation of the dispute did not produce a final resolution of the differences between the parties, there was significant progress in narrowing the remaining items in dispute.

Clearly, at each stage of the process, first through the appointment of a conciliation officer, second, the establishment of a conciliation board and third, the appointment of a mediator, the government underscored its commitment to the collective bargaining process and support to the parties' efforts in the negotiations of a new collective agreement.

This bill provides for the continuation of postal services and the dispute resolution mechanism to arrive at the terms and conditions of a new collective agreement. By introducing this bill, the Minister of Labour has taken the action necessary to protect the economic well-being of the Canadian population.

The government has had to weigh the rights of the parties against the general economic welfare of Canadians. Nothing in the legislation precludes the right of the parties to negotiate and amend any specific conditions of the agreement binding upon them, with the exception of the term of the agreement.

Let me return to how the government treats Canada Post. It is a Crown corporation and we have had some difficulties with Canada Post and CUPW in the past number of years. I just want to emphasize a couple of points. I am going to quote from a book written by Douglas K. Adie from the Fraser Institute.

I simply want to emphasize the cost of doing business and what it costs Canada Post to keep its operation going in terms of labour and in terms of costs.

"Canada Post's labour costs are 72 per cent of total costs which is high when compared to other service industries. Cost cutting at Canada Post needs to begin with a consideration of labour enumeration. In 1986-87 average annual salary and benefits of workers at Canada Post was more than $36,000".

He goes on to say: "Although Canadian postal wages have not been studied as closely as those in the U.S., they appear to be excessive by about one-third compared to what Canada Post needs to pay to attract and hold a competent work force or what postal workers of similar experience and education would get if employed elsewhere".

He asks the question of how this happened, why this disparity between what we pay our postal employees and what other countries pay theirs. He answers it by simply stating that Canada Post has failed to control supervisory and non-supervisory wages from 1967 to 1987 when technology changed rapidly: "When technology changed rapidly labour costs still increased from 56 to 72.4 per cent of total costs. In one-sided labour negotiations Canada Post gave the unions almost everything they wanted. Since reorganization Canada Post has not redressed the inequity of excessive wages".

Part of this he concludes is simply because Canada Post does not have the competition that it needs to be competitive. There is no compelling reason for it to be competitive. He says: "Canada Post's exclusive privilege

encourages overstaffing and high labour costs. Lack of competition prevents managers from controlling labour costs by shielding them from the necessity of pressing for economical wage settlements".

Despite what we say and think in this House, I think the average Canadian believes the employees are paid rather well for the work that they do, although they are not the highest paid people in the country. They are paid rather well for what they do. In this morning's *Globe and Mail* it is mentioned that 46,000 postal carriers and inside workers represented by CUPW earn an average of $14.24 an hour, with a cost of living clause which generally adds something in the vicinity of 17 cents an hour to what they are paid.

In some parts of the country I guess people would argue and could argue maybe successfully that is not enough. Believe me, from the part of the country that I come from and the part that I represent, that is certainly way above the average. It would be close to double what the average employee would make in the maritime provinces.

That is not the whole story. Wages cannot do it all. I think there has got to be a way that Canada Post can sit down and talk through this thing and maybe create a new sense of co-operation between Canada Post and its employees. Dollars will not do the whole thing. There has got to be a need to resolve this thing and a need to try to bring an end to the sort of discontent that has been so evident in this corporation for so many years.

Again, going back to the people in this country who depend on Canada Post for service, I want to read a letter that was forwarded to me this morning. The letter was addressed to the hon. Harvie Andre, government House leader and minister responsible for Canada Post. I want to read this letter because it goes back to my opening remarks of how important it is to resolve this dispute and how important it is that Canadians have a postal service that they can depend on. The letter begins:

> Dear Mr. Andre:
>
> On behalf of the New Brunswick Lung Association and the thousands of New Brunswickers who suffer from lung disease I am writing to convey our association's grave concern about the possibility again of disruption of the postal service.
>
> This association is a constituent of Canada's most senior health charity, making a substantial contribution to the respiratory health of Canadians since early in this century.
>
> Because of Christmas seals, our major source of funds, our organization led the way in the near eradication of tuberculosis. We are leaders in health promotion through smoking prevention, reduction initiatives and have been since the late 1960s and have helped Canada achieve a fine reputation in this area.
>
> In New Brunswick, Christmas seals account for 85 per cent of our funds, allowing us to support national research and carry on effective community services. Our family asthma clinics, camp, peer group, support groups, workshops, asthma smoking help line, equipment loan programs, smoking cessation programs, and school health programs are hostage to this threatened labour disruption.
>
> In many areas we relieve government of the need to provide service.

That is a very, very important point.

> Our small organization's biggest expense item is what we pay for postal service to reach our donors and clients. We comply with many regulations, sign contracts of commitment with this Crown corporation, and have no guarantees of it delivering its part of these agreements.
>
> Already our organization has made a major financial investment in materials for this time-sensitive campaign. We cannot postpone Christmas or save our 1992 health calendars for 1993. Hundreds of hours have been spent by volunteers to prepare mail and we have no other delivery option. We are looking at not only lost donations which are devastating but also lost investment that cannot be recouped.
>
> Donors tell us that their confidence in donations being returned is affected by the confusion in your system.
>
> The lung association and its volunteers are making a substantial contribution to the lives of Canadians. We believe it is incumbent on your government to restore order to this system and to provide Canadians with a dependable service.
>
> For your information the concept of the Christmas seal as a weapon against lung disease world-wide was initiated by a postman in Copenhagen in 1903.

• (1340)

Mr. John B. Barry concludes by saying:

> He certainly did his part. Please settle with your unions and let us do ours.

That pretty well sums up the feeling of most Canadians. We feel we are being held hostage to a degree by Canada Post and its unions. It is not like we are out to destroy the unions, but clearly something has broken down and this has been a recurring theme. We have gone through these things since 1967. I do not know how many strikes we have had.

Clearly the Canadian public has had it up to its eyebrows with Canada Post. Let us support this legislation. I believe it has to be supported. I believe we have to get the post office back to work, the union back to work, and this country back to work.

In conclusion, I therefore intend to support the legislation before this House and urge hon. members all to do the same. We must get them back to work. We must. We have had enough strikes in this country.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I think it is interesting that the hon. member who was just speaking said that we must get them back to work, that we have had enough strikes in this country. The hon. member might be interested to know that they have not left work. This legislation is being introduced pre-emptorily before CUPW members leave the job. So to say we must get them back to work is a little bit of an overstatement.

I would also like to comment on the hon. member's comments about the fact that these workers on average earn $14 an hour. I find it very, very fascinating that the hon. members across the floor want back-to-work legislation after back-to-work legislation and suggest that these people who work for the federal government in the service area are overpaid. There is this whole mentality of being totally offended by Canadians making decent wages. I just find that is quite systematic of the whole attitude of this government to a whole lot of things.

The hon. member made reference to the Fraser Institute and Michael Walker, the guru of right-headed thinking in this country, so right-headed that it is almost off the spectrum. But Michael Walker is not the appropriate authority to be quoted with reference to how to run Canada Post. I would suggest the hon. member look at some very simple things and out of that reference to simple things, I am going to have a question for him.

The Canadian Union of Postal Workers spends a full 25 per cent, and I will repeat that, 25 per cent of the union's budget on grievance handling. Canada Post obviously spends a pretty healthy sum as well. There is a backlog of 100,000 grievances.

Instead of going to the right wing guru, Mr. Michael Walker and the Fraser Institute, perhaps the hon. member can tell us if he does not think it is pretty evident that management and industrial relations at Canada Post are in pretty tough straits. The problem is not with what the workers are earning, the problem is not lack of competition, the problem is bad management and the inability to have decent and respectful industrial relations. That is my question to the hon. member.

Mr. Thompson: Mr. Speaker, I do not think we have to apologize for supporting the private sector on this side of the House because obviously it is the private sector that we are so concerned about. One thing that we realize on this side of the House, but I am not sure the NDP have figured out, is that the private sector creates the jobs, the opportunities and the wealth in this country. We have a high standard of living because we have a Canadian economy that works. We do not have to apologize for that.

I do not think the hon. member was listening when I mentioned the statistics: that 80 per cent of the mail that is going to be held up in this country is business mail. If that mail is not delivered it threatens some of those businesses. It threatens jobs and it threatens development. It threatens the kind of opportunity that we want to see happening in this country, particularly at a time when the Canadian economy has gone through a crisis, and there is no question about it. Just at this point, coming out of a recession, I do not think we can afford to have a disruption in mail because it is the lifeblood, the lifeline of business in this country. This thing is all about carrying on with Canada and carrying on with building a better Canada. We cannot do it with a disruption in the delivery of mail.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I would just like to ask a quick question of the member opposite.

One of the things that he has suggested, which is not completely correct, is that this is back-to-work legislation and necessary because we cannot afford to have someone go on strike at this time. What he did not say in his speech is that there is no strike right now and this legislation is there in case something happens down the line.

I think the hon. member should take a good look at the legislation he is debating today. One of the clauses suggests that this is in case of a work stoppage or a lockout. I want to ask the member if he would answer two questions for me. One is if he as a member believes in the right to strike, and second, does he feel that this back-to-work legislation is going to improve the situation at Canada Post between labour and management.

The reason why I ask that of the member is that there seems to be a sense across the floor over there that every time there are some difficulties with the collective bargaining process—and the collective bargaining process, as you know, in other industries and in other sectors works fairly efficiently— we have been putting in back-to-work legislation faster than I have time to read the bills. I am quite surprised that the government is proposing to do this on a regular basis because of its ramifications in the long term, the collective bargaining.

• (1350)

I ask the member those two questions: Does he believe in strikes and the process of collective bargaining, or that Canada Post should be an essential service; and second, does he feel that this whole process of back-to-work legislation is going to improve the situation at Canada Post?

Mr. Thompson: Mr. Speaker, I guess to answer that question I can simply say no, I am not in favour of strikes in the Public Service and for very good reasons. As I mentioned before, we were attempting to put this country to work, get it working, and I do not think that anything that disrupts that process is healthy.

I think it does come down to a question of semantics in this whole scenario in regard to Canada Post and the disruption in service. Is it a disruption in service, is it a strike or is it a slowdown? Again, it comes down to a question of semantics. When does it become a strike? At what point does it paralyzed the ability of Canadians to do business?

I think we have obviously gone through many of these. I am not about to attempt to define a strike and when a disruption in service requires legislation. I guess that is up to the Canadian public to determine whether we are doing the right thing or not. But I believe we are doing the right thing because again it goes back to doing business in this country. When 80 per cent of the mail delivered in this country is for business purposes, I think it is incumbent on all members in this House to sit down and review that and at the end of the day make the right choice. On this side of the House the choice is that we prefer Canadians to have mail delivery and that businesses have mail delivery that they can depend on and trust.

I believe that we are doing the correct thing and that Canadians cannot afford a slowdown, a work stoppage or an out and out strike in the public sector, that being the post office.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, today we are facing a very serious problem that does not have easy answers. As a matter of fact as we stop and consider the process that has gone on, our postal workers at this point, CUPW, have been without contract for two years. There have been many processes in that time. They have gone through discussions, mediation and negotiations to try to come up with some type of conciliation with a conciliation officer. Many tactics have been used in order to come to some type of agreement.

There is not one person in this House, nor one person in this country who wants to see a strike occur. We all know that. We know that, however, we are in a situation where if appropriate strong actions had been taken several years ago, we would not be in a situation today looking at back-to-work legislation. It is a little bit odd to stand here and talk about back-to-work legislation when, as several of my colleagues have pointed out, there is no one out on strike at this point.

However, this process is being put in place to make certain there is no disruption in mail delivery.

It is a piece of legislation that may be affecting the ability of the two parties to get together. One would question the wisdom of introducing the legislation while both parties are still sitting at the bargaining table, attempting to negotiate an issue and, from my understanding, working very hard at trying to iron out the last few issues that are there.

In many ways in this last week or two we have seen some progress occur. The progress with the mediator Alan Gold had come forward over the last month and had been very positive.

Mr. Gold left because he could not aid and abet the situation further, but the two parties did sit down and attempt at that point to try to resolve what was left of the outstanding issues. Over the weekend, we heard that they were seriously trying to resolve any final differences.

That has not been finalized at this point and here in Parliament today we look at back-to-work legislation. I will reiterate again that none of my colleagues wishes to see a strike. We know that service to Canadians is the primary goal of Canada Post.

In reality, Canadians must be our first consideration, and when we realize that Canadians are our first consideration, we know that somehow labour and management must resolve this very, very vast ocean of differences that is there.

We know that Canada Post is responsible for the corporate plan it has put in place which in many, many regards has really caused much of this stress. We know that the government has supported Canada Post in its endeavours in this corporate plan. As a result, I would very strongly hold the government responsible for the strife that is now occurring with the workers and the corporation.

The government has said many, many times that it is not responsible for the ins and outs of Canada Post, but when something positive came out at Canada Post it said: "They have raised a profit. They have done extremely well in the last three years".

As a matter of fact, the government has claimed that Canada Post had profits in 1988-89 of $96 million; in 1989-90, they were $149 million and in $1990-91, they were $14 million. Yet during the same time, subsidies for various postal services such as northern air services, publication mail, government free mail and literature for the blind, totalled some $692 million during that same time period.

We all well know that during that same two year time period workers were not paid by contract because those contracts were not resolved. Therefore one must surmise on one hand that Canada Post and the government have been saying one thing and on the other hand they know what the reality is, which is something much different.

One then starts to question what is happening with the good faith between the government and the Canadian public. It is very important that credibility be maintained in government. I think we have come down the line with Canada Post and its emphasis on profits is something that is very negative toward the service we are trying to give Canadians.

The Canada Post corporate plan in 1986 placed a very great emphasis on profits. The plan called for the conversion or closure of 5,200 small rural community post offices. To date, over 1,000 have been closed. The plan called for a 40 per cent dividend to be paid to the government. However, at the same time the plan also called for improvements in employee-employer relationships. The improvements have not occurred. We know grievances have sky-rocketed to somewhere between 100,000 and 130,000. The Canadian Union of Postal Workers' contract which expired in July 1989 has not given any move to date.

The conciliation report of August 12, 1991 commented that the conciliation board has found no improvement in labour-management relationships. The extent of exacerbation has further increased in some instances to a point of contempt, if not palatable hatred and the distrust has reached new heights. The parties are not speaking. They are hurling abuse at each other. The comments go on to call on the conciliation process. Somehow we have to come up with a better process than we have seen occur at this point. Somehow management in Canada Post has to find a way to set up a better relationship between itself and the employees in CUPW. It is the responsibility of this government to carry on and make certain that there is some positive move in this area.

How did we come to this point? The government has basically taken a hands off approach to the negotiations between Canada Post and its workers. Every time problems have come up the government has said: "Canada Post is a Crown corporation. It has its corporate plan. We are not responsible for the actions of that corporate plan".

I and many of my colleagues tend to totally disagree with that. We believe the government is responsible and because of the Crown corporation status the government should watch and monitor very carefully what is happening. The government inevitably is responsible for the service to Canadians. It cannot allow the problems and the hatred to escalate as it has over the last seven years.

Mr. Speaker, I believe I just began a short time ago and I have approximately 10 minutes left if that is accurate.

Mr. Speaker: I hesitate to interrupt the hon. member, but we will have to proceed to Question Period. I am sure that the Table will keep track of the time.

S. O. 31

It being two o'clock p.m., the House will now proceed to Statements by Members, pursuant to Standing Order 31. The hon. member for Fundy—Royal.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CHILD ABUSE PREVENTION MONTH

Mr. Bob Corbett (Fundy—Royal): Mr. Speaker, once again this government would like to thank the Independent Order of Foresters for proclaiming October as Child Abuse Prevention Month. The IOF's continued commitment to the prevention of child abuse and the dedication of professionals and volunteers are fine examples of the work being done in co-operation with the government to bring awareness of this crucial societal problem because child abuse is a problem that concerns all Canadians.

Child abuse, whether physical, sexual or emotional is the problem of society as a whole and of each person as an individual and only by working in collaboration with all levels of government and non-government organizations will we begin to stop these tragedies.

In this spirit the government renewed our commitment toward the prevention of child abuse by announcing a new four-year family violence initiative in February 1991. It involves seven federal departments and agencies and will encourage the development of programs which increase public awareness, effective prevention and treatment measures, enhanced training of professionals and volunteers and exchange of information.

This government is committed to working toward the elimination of child abuse.

* * *

SPORT

Mr. John Brewin (Victoria): Mr. Speaker, sport in Canada is potentially facing a very serious crisis as a result of events of the last week or so as well as events leading up to it. It is necessary for the Minister of State for Fitness and Amateur Sport to act quickly to restore confidence and morale in the sport community.

Last week Abby Hoffman was removed as director general of Sport Canada. This weekend in Victoria at the national coaching seminar organized by the Coaching Association of Canada a petition signed by 151 of Canada's leading coaches condemned the removal of Abby Hoffman particularly as it occurred four months before the winter Olympics and nine months before the summer Olympics. The petition says that the action demonstrated complete lack of respect and concern for the athletes and coaches preparing to represent Canada.

I call on the government to move quickly and decisively to restore confidence and morale in the sporting community in Canada.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Harry Chadwick (Bramalea—Gore—Malton): Mr. Speaker, airport officials at Lester B. Pearson International Airport are full of promises.

Noise will be brought under control, they said. Imagine our frustration when recent reports showed that aircraft continue to stray from designated flight paths.

Noise complaints will decrease, they said. Imagine our disappointment when we learned that the recent report of a 12 per cent decrease in noise complaints can be attributed to a 9.5 per cent decrease in over-all aviation activity.

We will install a sophisticated noise monitoring system designed to catch violators, they said. Imagine our frustration when we learned that the same sophisticated system remains virtually unusable while it awaits a final connection to radar.

Airport officials might as well forget about making any more promises because we cannot hear them any more. Maybe it is a lack of faith and we are just not listening or maybe our hearing is becoming impaired from all that noise. We are not sure. In Bramalea—Gore—Malton the truth is a little hazy these days.

* * *

WOMEN

Ms. Mary Clancy (Halifax): Mr. Speaker, a so-called humorous postcard depicting male hunters discussing killing women and children has outraged women both within the province where it has been sold, Manitoba, and across Canada. It shows that the sickness abroad in society has not yet been cured, and indeed, when people

who are selling this card say: "It is only a joke. I understand it is kind of a touchy subject, but it is something that is intended as a joke and should be taken as a joke," then, Mr. Speaker, we know we have a long way to go.

The card in question shows two male hunters toting shotguns. One says: "Yesterday I shot my wife, both kids, my mother-in-law and the Avon lady." And his friend replies: "That is terrific, but didn't you know that mother-in-law season does not open until next month."

Mr. Speaker, this was particularly difficult for the women of Manitoba to take, when there were three murders of women in this past month and the women's current or former spouses have been charged.

Mr. Speaker, I know that all of us in this House join in hoping that this kind of postcard will not be available any more in Canadian stores.

* * *

NATIONAL SCIENCE AND TECHNOLOGY WEEK

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, yesterday saw the wind-up of a very successful second annual Science and Technology Week. Approximately 1,000 events across the country exposed Canadians to the wonders of science and technology during the 10-day extravaganza.

We had so many events planned this year that we had to extend National Science and Technology Week to 10 days, from October 17 to October 27, 1991. Science and Technology Week is a national celebration, co-ordinated by Industry, Science and Technology Canada in full partnership with all the provinces and territories, science, technology and engineering associations, educational institutions and the private sector.

At the national launch at the Museum of Science and Technology, our Minister of Science announced $1.8 million in funding by science and culture in Canada for activities that increase public awareness of science and technology.

As part of the federal government's ongoing efforts to alert young Canadians for the exciting dimension of science and technology in our everyday lives, the science minister unveiled a new public awareness campaign video that will reach millions of kids across Canada.

[*Translation*]

The growing popularity of this national event proves that Canadians are becoming increasingly aware of the link between science and technology and Canada's prosperity. The Canadian government has made a long-term commitment to using education to upgrade our skills in science and technology —

[*English*]

Mr. Speaker: The hon. member's time has expired.

* * *

SENIOR CITIZENS

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, tomorrow morning the Princess of Wales will declare 1992 as the year of Help the Aged in Canada. The princess will address a group of people asking them to support efforts to alleviate poverty for seniors around the world. The project is sponsored by Help the Aged Canada and its fellow groups around the world.

• (1410)

Far too often we forget how good we have things and we need events such as this to remind ourselves that there are people who desperately need our help.

Seniors around the world face a daily struggle with poverty, including seniors here in Canada. As members of Parliament we should work together to eliminate poverty among our older generation.

Seniors built our country and bore the burden of development around the world. It is time for us to do what we can to help those who have helped us. Let us make 1992 a year of progress for our seniors.

* * *

[*Translation*]

CANADA POST

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, the negotiations to reach a negotiated settlement for a new

collective agreement between Canada Post and the Canadian Union of Postal Workers have entered the critical phase.

After 29 months of negotiations, several major points are still in dispute. If the bargaining process fails, the message from the members of the CUPW local in Val-d'Or on October 25 can be summed up like this: "The biggest problem facing postal employees is the employer's failure to comply with the terms of the collective agreement. That is why they call upon the Minister of Labour to include in this ad hoc legislation the obligation for Canada Post to comply to every term and condition of the collective agreement."

* * *

[*English*]

POST-SECONDARY EDUCATION

Mr. Bob Wood (Nipissing): Mr. Speaker, according to Employment and Immigration Canada, the vast majority of jobs by the end of this decade will require at least 12 to 15 years of education.

This year almost 4,000 eligible native students will be denied funding for post-secondary education by this government despite promises to the contrary. By 1995, in Ontario alone, only one out of every two qualified native students will be able to receive funding. Our native peoples have less education, one-half the national income and twice the unemployment rate of other Canadians.

The government's response to this has been to cut funding and tell us that it has been generous in the area of native education programs.

The money for these programs comes from the royalties off native lands. They are not asking for a free ride, just what they are entitled to.

We have just gone through the most severe native crisis in the history of our federation yet this government has learned nothing from it. If it was serious in dealing with native concerns, it would begin with a very simple premise; deliver on what was promised throughout the years.

I believe that education is a right and not a privilege, particularly for our natives. If we do not spend on education now, we will be funding welfare later.

SMALL BUSINESS

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, small business is the backbone of our economy. It represents 97 per cent of Canadian businesses, almost one-third of the private sector workforce, four out of five new jobs and annual sales of $316 billion.

If we are to encourage small business to grow and prosper we must recognize the ever-increasing paper burden and financial hardships placed on this sector.

Employees have governments and unions to protect their interests but who protects the employer? Small businesses are required to deal effectively with employee and employer deductions, to collect taxes and statistical information and to submit same within a strict time-frame.

Small businesses want to continue to be successful in the marketplace, but they cannot and will not remain competitive if this drain on their resources continues to increase.

* * *

NEW DEMOCRATIC PARTY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, Canadians are calling on New Democrats to clean up legislative and budgetary disasters created by Liberals, Socred and Conservative governments.

The Ontario Liberal deficit of $3 billion, the B.C. Socred deficit of $2.5 billion and the Conservative deficit in Saskatchewan of over $5 billion leaves New Democratic governments in these provinces with work to do in bringing in progress of people, not friends and insiders of Conservative administrations.

Canadians in Ontario, British Columbia, Saskatchewan and the Yukon will benefit from a era of open and honest government, the style of government they will soon have at the federal level.

* * *

[*Translation*]

TRIBUTE TO PAINTER ANDRÉ ROGER

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, today I would like to point out the merit of a Quebec artist who was recently in the news for holding five records in the famous *Guinness Book of Records*. An

artist known and renowned around the world, André Roger, the world's fastest painter, has become the first man to achieve such a feat. This modest, earnest and determined fellow had indeed become a first class ambassador for our area as well as for all of Canada. I wanted to call attention to this impressive performance.

The talent and skill of André Roger are a never-ending source of fascination for crowds around the world and we are all very proud of him. For his contribution to the Mills area and the riding of Terrebonne, André Roger deserves respect and recognition from the people of Canada as well as from all the members of this House. Again, well done, Mr. Roger!

* * *

[*English*]

UNITED NATIONS

Mrs. Christine Stewart (Northumberland): Mr. Speaker, this past weekend in Vancouver the Liberal Party of Canada sponsored a most successful symposium on the role of Canada and the United Nations system in the 21st century.

This symposium, a non-partisan event, brought together national and international experts with Canadians from all walks of life to discuss the current status and future possibilities for the United Nations. Expressing commitment to a stronger UN role in an ever-increasing interdependent world, participants also spoke to the essential need for UN institutional reform.

Despite the availability for many years of expert opinion on issues such as UN leadership and the selection of the Secretary-General, it was noted that what we lack is the political will and commitment to UN reform by member countries in pursuit of global peace and security and the promotion of the necessary reform and strengthening of the United Nations.

The director of the United Nations Association in Canada has called upon other major political parties in Canada to duplicate the important initiative of the Liberal Party of Canada in sparking public and political debate on UN issues.

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to attack two economic myths today. The first is the argument that corporations, especially foreign corporations, are staying away from Ontario since the election of the New Democrats last year.

Investment Canada has just issued its 1991 report showing where foreign firms put their money. Over 55 per cent went into Ontario.

This report also shoots down another economic myth. The Conservatives say that for Canada as a whole there has been more foreign investment since the free trade deal, but this year foreign investment fell by $3.6 billion from the year before and investment in new businesses where extra jobs come from was less than a quarter of what it was in the year before.

Mr. Speaker: I want to bring to the attention of the House that the clock we are going by is the clock which I have here and it is 2.15 p.m. The other clocks can be ignored.

ORAL QUESTION PERIOD

[*English*]

NORTH AMERICAN FREE TRADE AGREEMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Prime Minister. Welcome back.

In January the external affairs committee of the House passed a motion with the support of every Conservative member on that committee and I quote: "We recommend that the government and its negotiators keep Parliament and this committee regularly and fully informed about the current consultations and future negotiations of the North American free trade agreement".

This weekend the government completed phase one of the negotiations and Parliament has been told absolutely nothing of substance.

When will Parliament be fully informed about the substance of the negotiations as was agreed by an all-party committee?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, it is quite clear that Parliament has already been informed on many aspects of what is going on. Parliament knows for example that culture is not on the table. Parliament knows for example that the objectives of the Canadian government remain absolutely unchanged from what they were when we went into this.

I think Parliament knows exactly what we have to know at the moment.

• (1420)

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my supplementary is directed to the Prime Minister.

Last week, the Minister for International Trade gave Canadians the assurance that all three governments felt the talks should last as long as was necessary to achieve results that would benefit all parties. That is what the minister said before the parliamentary committee.

In Mexico, however, he told reporters that he wanted an agreement before April 1992, to avoid making it an election issue in Canada. What is the correct version: what he told reporters in Mexico or what he told Canadians before the parliamentary committee?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, what the minister said in Mexico was that we expected to be able to make some significant progress between now and March. We might even have a kind of draft arrangement by that time.

Obviously you do not want to drag negotiations on any longer than necessary. That is exactly our position and will remain so.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, what the minister said in Mexico was that he wanted to avoid a political debate. Canadians have a right to know what is going on with respect to the auto pact, environment, Maquiladora zones, energy, rules of origin, national treatments, subsidies, health standards, dumping, human rights, intellectual property, textiles and dispute settlement.

What is going on and why are you keeping Canadians in the dark on this important issue?

Mr. Speaker: The hon. member knows that she should not be referring personally to a minister.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, no one wants to avoid a major political discussion of any North American free trade agreement.

What you want to ensure, however, is that you can get the discussion going properly so that when you have the upcoming American election in 1992 you can have this discussion without being clouded by an American election, not a Canadian election.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I want to follow up this issue with the Prime Minister.

I attended the external affairs committee hearings last Wednesday when the minister said: "Negotiations should take as long as required". There was no deadline at that time. Now the minister is singing a different tune in Mexico.

Why is the minister saying one thing at the negotiating table and telling another thing to Parliament?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the minister is not saying one thing in Mexico and another thing here. He has been absolutely consistent throughout this whole thing.

Clearly you would like to have negotiations completed as soon as possible, but if it takes a longer time then that is exactly what has to happen.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, again my question is for the Prime Minister.

The standing committee report said that this Parliament and the Canadian people should be consulted. Why is the minister not consulting Canadians? Where are the studies? Where are the cost benefit studies? Don't the workers in Canada have a right to know how this deal will affect their lives?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I think the member forgets that in this negotiation, as in other negotiations, the government has a wide variety of advisory committees on this issue. When there is something that we have agreed upon then that comes to Parliament. Of course it comes to Parliament.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Prime Minister.

The Minister for International Trade said a North American free trade agreement could be concluded in March. All discussions have taken place behind closed doors. Canadians do not know what is going on. We do not know whether the government intends to consult the public or how it intends to ratify the agreement.

What do the Prime Minister and his government intend to do about consulting the public on this agreement and about ratifying the agreement?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, what the minister said was that there was some hope you might have a draft agreement by some time in March. He has always said: "The sooner we can get some kind of a draft agreement the better off we will be". There is no intention whatsoever of attempting to have an agreement that is not ratified by Parliament.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker, for the Prime Minister.

Millions of Canadians who have experienced the first-hand devastating effects of the Canada-U.S. trade deal want to know what this government's intentions are with the Mexican trade deal. Is it to take this bad deal and make it worse? They have a right to know as taxpayers, as Canadians, what this government's intentions are.

My question to the Prime Minister is this: Will he commit today that before any deal goes any further there will be a full consultation process with the public, with a committee that travels to all provinces and territories, so that this time Canadians will have a chance to comment on a deal before they are locked into it?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend is quite wrong when she says: "so that this time Canadians will have a chance to comment on a deal before they are locked into it". The last time, Canadians had an opportunity in a democratic election to comment on the free trade agreement and they spoke in favour of the agreement.

Hon. Audrey McLaughlin (Yukon): I have a supplementary question, Mr. Speaker. The last time the House of Commons committee on the trade deal went to 10 cities in 10 days and Canadians did not have a full opportunity to comment. I want to say to the Prime Minister that this time he has a responsibility and the House has a responsibility to Canadians to let them know about this deal.

This weekend while trade ministers were meeting behind closed doors, with the doors wide open there was another group meeting in Mexico with representatives from the U.S., Mexico and Canada, talking about the need to have trade deals that are not just about the economy but that include issues around the environment, health and safety standards, and social rights for workers.

This government has that opportunity now. Will the Prime Minister who last week said he was concerned about human rights ensure in these international trade talks that there is an agreement around social rights, environmental rights and human rights in this trade deal?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, let me take the preamble of that question, because once again the hon. member is wrong.

There were in fact two committees of this House that went right across the country and heard arguments on the free trade agreement. There was a special committee and there was also the external affairs committee of the House.

The Canadian people had many opportunities to discuss this and of course as the Prime Minister said they also had an election. What more do you want?

* * *

THE ECONOMY

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Prime Minister.

In a recent speech in Chicago his Minister for International Trade speaking about Canada said: "No man, no woman, no child goes without—decent shelter or proper food".

Given the thousands and thousands of people who rely on food banks and shelters for the homeless on a daily basis in this country, will the Prime Minister withdraw

this statement, or is he admitting that when it comes to knowing what is really going on all across this country he and his government are blind to the dismal reality caused by this government's policies?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend knows that the statement he has just quoted is out of context and was explained to be out of context by the Minister for International Trade to the hon. member on the floor of this House of Commons last week. This exchange took place last week, and the Minister for International Trade gave a full and complete explanation.

In part of his explanation the minister referred to tax reform which took some 850,000 low income Canadians including 250,000 seniors off the rolls completely; the GST tax credit, that in 1991 $2.4 billion will be paid out to 8.6 million low and middle income tax filers; that the child tax credit was increased by almost 50 per cent since 1986; and so on. This indicates the context in which the statement was made by the hon. minister.

I think when my friend examines the statement objectively he will come to the conclusion that as usual the Minister for International Trade spoke frankly and well on behalf of Canada.

Hon. Herb Gray (Windsor West): Mr. Speaker, the Prime Minister must have been so busy lobbying at the UN he did not notice that I did not ask the Minister for International Trade a question on this subject or any other subject last week. The Prime Minister seems to forget that there are still more than three million Canadians living below the poverty line in this country. Can he explain that?

I want to ask the Minister of Finance: today the Department of Finance reported that the deficit for the period from April to August is nearly double what it was in the same period last year, and the department said this was a result of "costs associated with the implementation of the GST and the impact of the recession on tax bases".

• (1430)

Will the Minister of Finance admit today that his projections on the deficit and the economy were wrong, and that this recession is turning out to be much worse than has already been expected? Will he admit that it is his government's policies that are causing these problems?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think one of the most important things that has developed today is that the Bank of Montreal announced its prime rate would be 8.5 per cent, the lowest in 14 years.

Some hon. members: Hear, hear.

Mr. Mazankowski: We said last February that if we followed the plan that we embarked upon in the budget of February 1991 it would lead to lower inflation and lower interest rates, and so it has begun.

In response to the other part of his question, I simply want to remind the hon. member that the number of low income Canadians declined by over a million since we have come into office.

The real average family income grew at a rate of over 2 per cent per year since we have come into office. Yes, the first half of this fiscal year has seen the deficit higher than normal. We expected that. We indicated that in the budget as a result of the transitional costs and the slowdown in the economy, but the transitional costs are behind us and the economy is starting to boom.

* * *

LABOUR

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, my question is for the Prime Minister.

Last week the Canadian Labour Congress declined participation in the government's prosperity plans process. Given that the Porter report commented that labour should be treated as a partner, not an adversary, why does the government not recognize the importance of labour's participation in the prosperity plan?

Will the Prime Minister outline an approach that he intends to follow to show that labour will be guaranteed a partner in this process?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, as you know, labour was invited to be part of the umbrella group and co-chair. Labour has said that it did not wish to take up one of those co-chair positions, but it will be involved in the process through the community consultations and through the sectoral consultations.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, my supplementary question is for the same minister. The minister is well aware of the need for co-operation. However, the labour movement is equally aware of the government's actions toward Canadian labour.

Given the government's treatment of workers in Canada with its own employees, the Public Service Alliance and now Canada Post, is there any wonder why labour is cautious of the government's initiatives? Will the minister show leadership, follow the advice of his own report and not proceed until labour is a full partner?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, there is no question that it is the government's responsibility to try to show leadership in this whole business of making Canada prosperous. That is exactly what we are trying to do.

Labour will be on side on this issue. After all, nobody in this House wants his or her standard of living diminished, nor does anyone in labour.

There is one way to do that, and that is to make the country competitive. That is exactly the kind of leadership role the Government of Canada is taking.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question is for the Minister of Communications.

Rumours continue to abound regarding further cuts to both programming and staff at the CBC, including the possible closure of TV stations in Ottawa and Winnipeg and the loss of up to 500 jobs.

The CBC president has projected a $50 million shortfall and the chairman has warned that by mid-October the CBC will have to begin implementing lay-off and closure strategies. I want to point out that it is now late October and I fear the other shoe is about to drop.

I ask the minister whether he will recognize that the time is up for further delays, that the CBC needs a firm commitment and it needs it now. Will he assure us that the government will not force the CBC to toss people out on the street like it did last year?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, the hon. member refers to rumours. It would be helpful I think to all involved if he would not spread rumours himself by raising such questions on the floor of the House of Commons.

As I indicated previously in the House, the government is looking at the whole question of next year's budget for the CBC. Obviously it is an area of interest to us, as it is an area of interest not only to the employees and viewers of the CBC but to the private sector as well. When we have something to announce with regard to that we will be pleased to inform the hon. gentleman.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the government has forced the CBC to rely more and more on commercial revenues, competing with the private broadcasters for what is an ever increasing piece of a shrinking pie.

I would like to ask the minister whether he is prepared to correct the mistakes of his predecessor. Will he commit himself to a mechanism of long-term and stable funding for the CBC so that it will be able in future years to fulfil the mandate that it has been given.

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, we are looking at all aspects of the CBC's budget to try to ensure that it is well and properly financed and that it is able to discharge the mandate that was given to it by Parliament. In addition to that, in early December I will be convening a summit of broadcasters in Canada, the whole of the industry, to try to discuss how we ensure the survival as well of the private sector in Canada.

I expect as a result of the government's internal reviews and as a result of the summit we will be able to make substantial progress in both areas.

* * *

THE ECONOMY

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, my question is for the Minister of Finance and is about his high dollar policy. Our exporting resource sectors, oil and gas, farm products, forestry, coal, fish and so on are seeing their competitive position eroded around the world because of a high dollar policy, the higher the better dollar policy.

The minister has received representations from exporting sectors across the country including western Canada. Is he prepared to do something to bring the dollar down? Why does the minister in Japan, for example, sound like he wants an ever higher dollar?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we said in the budget that the key to economic recovery was to bring down interest rates and the key to bringing down interest rates was to reduce inflation, inflationary expectations and inflationary pressures. That is what we have addressed.

The result of it is that we now have a prime rate today of 8.5 per cent. Ten years ago under his party's administration we had a prime rate of 22.75 per cent. I know that businesses would rather have an 8.5 per cent prime rate than a 22.75 per cent prime rate.

I simply want to remind my hon. friend that the merchandise trade balance has risen by $8.1 billion at an annual rate to $13.5 billion in August. It means that Canadian companies are competitive. The merchandise trade balance is improving.

It is thanks as well to the free trade agreement where exports to the United States grew by $5.4 billion between 1989 and 1990. Those exports are still increasing, thanks to the free trade agreement.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, we are not talking about 10 years ago. The very companies that were supporting the government on free trade are saying that its high dollar policy is killing them and putting their employees out of work. In fact if we take the non-government regulated prices, inflation is now about .5 per cent this year.

My question is: Our interest rates are now about 1 per cent higher than the United States. Will the minister—

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Kilgour: Is that funny?

Mr. Speaker: The hon. member will put his question.

Mr. Kilgour: Will the minister, if it isn't John Crow who is really the Minister of Finance, bring interest rates down faster, bring them lower so that the dollar can go down and we can get people back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I know the hon. member would like to forget about the bad old days when interest rates were 22.75 per cent. As I said, 8.5 per cent is a heck of a lot better than 22.75 per cent.

I will just go back one year. For ordinary Canadians who may have $50,000 mortgages, they are paying $150 per month less on their $50,000 mortgages this year than they did last year. That puts money in the pockets of ordinary Canadians. That will transform into more buying and a resurgence of the retail sector. It is all dependent upon the reduction of interest rates. That is our policy. That is our goal and it is producing results.

* * *

• (1440)

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Agriculture.

Last Thursday over 7,500 farmers rallied in Regina to protest the cutbacks in the government support programs last year and the shortfall in income of $1.3 billion this year.

The minister knows that the announcement he made a couple of weeks ago is little more than 50 per cent of the identified shortfall for grain and oilseeds producers.

When is the government going to make the payments to farmers who have already waited a year for this support and assistance which should have been provided in 1990?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I noticed the hon. member is suggesting that the $800 million which was provided by the Government of Canada to an industry that is having a great deal of difficulty is not enough. He apparently does not appreciate it as much as the people who have been phoning and writing my office saying they understand how difficult it is for a government to come forward with assistance of that magnitude during difficult times. But we have done that. We will continue to support agriculture as we have in the past.

As the hon. member is fully aware, there will be over $3 billion in support payments going to agriculture, grains and oilseeds in Canada before the end of June 1992.

The hon. member has to recognize that $40 an acre is being given by the government to a very important industry because we recognize the hurt it is undergoing at this time.

Mr. Maurice Foster (Algoma): A supplementary question, Mr. Speaker.

Over 7,500 farmers in Regina last Thursday did not understand because they are going broke. Rallies have continued just the same since the minister's announcement as before, because they are not getting the cash. The amount provided a little over half of that required.

Will the minister bring in the legislation today so that these cheques can be sent out immediately and not wait until next spring. The cash is needed now. When will this minister and this government act?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, one of the hallmarks of this government and this Prime Minister has been to consult with farm leaders when asked to come to their assistance. We have done that.

The hon. member must recognize that I will receive a report from the third line of defence committee as to how they propose the assistance should be paid out, and how they propose it should be proportioned.

An hon. member: That was yesterday.

Mr. McKnight: No, I say to the hon. member for Regina, it was not yesterday. I look forward to receiving that report in the next two or three days. When we have received the report we will attempt to act upon it.

* * *

HEALTH

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, on May 21 I rose in this House and asked the Minister of National Health and Welfare if he would give an undertaking that research like that of Dr. Chan of Calgary on the safety of breast implants would be funded as soon as possible.

The minister responded that the department had received Dr. Chan's study in March but had not received a request for funding.

Dr. Chan has now asked for $130,000 to measure urine and blood levels of TDA in 1,000 Canadian women with Meme breast implants and has been told unofficially that he is being turned down.

Will the minister tell women now that he will fund that study?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I will tell the member the answer. I do not see why I have to answer to women of Canada in terms of Dr. Chan.

I was not informed before Question Period that this request was turned down by the department. The member did not ask me that question before, but I will check with the department to see if a decision has been made. So far I have not been informed if it is official or unofficial. I will check and get back to the member soon.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I refer to a news clipping I saw in *The Vancouver Sun* two days ago. It was on the news this morning.

I would have thought that the minister would be aware that it is out in the news that there has been an unofficial turn down, as I mentioned.

Mr. Speaker, the media has reported that plastic surgeons of North America are spending $3.9 million to lobby because of the downturn in the implant business. They say they are the victims of bad press. Well, I would ask the minister if he would at least commit $130,000 to the victims of Même breast implants.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, there is no relationship between a campaign launched by the plastic surgeons and the fact that we accept or not giving the grant. I cannot ask any organization in the country not to launch a campaign of this kind if they believe it can help their cause. On the other hand, we will make a decision, or maybe a decision has already been made, on the merit of what is requested by Dr. Chan. It has nothing to do with a campaign by the plastic surgeons in Canada.

[*Translation*]

CANADA POST

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is directed to the Minister responsible for Canada Post Corporation.

The collective agreements have been extended from the expiry date mentioned for each agreement in the Schedule until July 31, 1993, according to the bill to provide for the continuation of postal services tabled today by the Minister of Labour.

Could the minister give us the assurance today that the Canada Post Corporation will abide by every single clause of the collective agreement, since for several months, a number of managers with Canada Post in Ottawa and Quebec City have showen no respect for employees in the Abitibi region?

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Canada Post, as does the union, must always respect the collective agreement. It is a legally binding contract and both sides are expected to enforce and respect it. I am sure that will continue to happen.

* * *

YUGOSLAVIA

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

As the minister knows, the situation in Croatia is deteriorating and hundreds of lives are being lost every day. This morning the Secretary-General of the United Nations issued a very alarming report that the UN arms embargo is now being largely violated or ignored by member states.

Will the minister take steps to have our UN ambassador, now that he is free of other duties, to ask for an immediate meeting of the Security Council to consider this report by the Secretary-General and to begin looking at what immediate actions can be taken by the United Nations to stop the bloodshed of innocent people in that region.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, this country has really been very active in the United Nations and with other organizations through the European Community in trying to bring peace and stability to this extraordinarily troubled country with the tragic situation that is going on right now.

Ours was the first request to the Security Council. That is why the Security Council dealt with the issue in the first place.

Our ambassador to the United Nations has been active ever since, and will continue to be active in trying to move international action on this forward. Let me say that for Canada's part, we have done everything we can, including offering extra monitors to the peace process. We have been in touch with the European Community which is taking the lead on this. We are doing everything that we possibly can to try and bring some stability to this terrible problem.

Hon. Lloyd Axworthy (Winnipeg South Centre): About three weeks ago the minister indicated that Canada was going to consult with its UN and European partners to determine further action, including a strict economic embargo.

Considering the continued bloodshed, I would suggest that three weeks is more than enough time to have urgent consultations. Will the minister indicate today if Canada is now prepared to publicly support the call for an economic embargo against Yugoslavia to stop the fighting, to stop the bloodshed, to stop the conflict.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, we have never ceased to be active on the Yugoslavian problem. We have never stopped. Since the last question was asked we have continued to be in touch with Europe. We have continued to be in touch with the United Nations.

There is some real concern in some quarters that an economic embargo will hurt the people it is intended to help. When you look at what is going on right now in Dubrovnik and in other areas of Croatia, an economic embargo is not going to stop that. What is going to stop it is when the Yugoslavian army stops attacking and surrounding and putting an embargo on places like Dubrovnik.

• (1450)

AIRPORTS

Mr. Sergio Marchi (York West): Mr. Speaker, my question is for the Minister of Transport.

This weekend I met again with the Association of Limousine and Taxi Drivers servicing Pearson airport. Their livelihood during this economic recession particularly has reached the breaking point since this government not only issued more taxi and limousine permits but also increased the fee of their licences by over 500 per cent.

I ask the Minister of Transport why the government cannot be more sensitive to the industry by rolling back the increases to a more moderate level and eliminating the over 150 new licence permits since Terminal 3 is not generating new passengers and that the over-all traffic at Pearson from the government's own account will be down 5 per cent this year.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to inform the member that he is about a month and a half late in his request. We did exactly that a month and a half ago.

Mr. Sergio Marchi (York West): Mr. Speaker, the minister is wrong—

Some hon. members: Oh, oh.

Mr. Marchi: They did it on April 1 and I have been asking about it repeatedly. I will not apologize for continuing to stand up on behalf of Canadian workers who feel that these policies are doing them in.

I return to the minister and say to him that when government privately dealt with privatizing Terminal 3 it also erroneously gave away the cab and limo service concession to the private developers.

I ask the Minister of Transport, now that the government has had to buy back that clause for an estimated $5 million, why is this government forcing the limo and cab drivers to pay ridiculous increases to make up for this government's costly mistake?

[*Translation*]

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to repeat for the benefit of the hon. member for York West that we had a meeting with representatives of limousine and taxi owners in August. We reached an agreement, and we even based further increases in licence fees on the rates in effect in Mississauga, which was agreeable to taxi owners, taxi drivers, the mayor of Mississauga and everyone in the Toronto area. It seems only the member from that area is not aware of the response we got.

* * *

[*English*]

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, on March 26 of this year the minister of forests stated to the standing committee on forestry that funds for a new Nova Scotia forest agreement had been identified and that he did not anticipate a delay in its signing. That was seven months ago.

Will the minister announce today that he will sign a new agreement with the province of Nova Scotia?

Hon. Frank Oberle (Minister of Forestry): Yes, Mr. Speaker.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I appreciate the minister's answer. We would like to know the day from the minister and, further, given that the province of Nova Scotia has had to carry on with funding to this date for the seven months that an agreement has not been signed, can the minister assure the House that the funds for the new agreement will incorporate those funds that the province has had to spend?

Hon. Frank Oberle (Minister of Forestry): Yes, Mr. Speaker, I can given this assurance but I would also like to point out to the member that in the case of Nova Scotia the agreement was negotiated in two phases. An interim agreement has been operational for the last two years and I will be able to sign the new agreement as soon as a date can be arranged.

* * *

[*Translation*]

INDIAN AFFAIRS

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, my question is directed to the Minister of Indian Affairs. Last week, there was a demonstration in front of the Terrasses de la Chaudière building in Hull, when Algonquins from Lac Barrière demanded $1 million to pay

lawyers to sue the Government of Quebec and pursue their land claims in Quebec. The Government of Canada doesn't want to give more than $130,000. Could the Minister confirm that his department agreed to pay the Algonquins of Lac Barrière $130,000 to take the Government of Quebec to court on land claims?

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I think the hon. member is ill informed on some of the aspects of this matter.

The Algonquin bands of western Quebec of which there are some nine have been seeking to have a land claim recognized for negotiation by the federal Department of Indian Affairs and Northern Development. We have committed to a small number of those bands close to $500,000 in the preparation of research on which the department would base a decision as to whether or not to negotiate the claim.

We believe that work is all but complete and, with the expenditure of another $130,000 to look into matters relating to current use of those lands, we believe we will be in a position to accept the land claim for negotiation soon.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, doesn't the minister realize that by contributing such large sums of money he becomes part of the current conspiracy against Quebec, and that the province certainly does not deserve to get this kind of treatment from the federal government?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the suggestion is incredible.

[*English*]

In fact the Government of Canada is committed to the negotiation and settlement of land claims in all parts of Canada where we can be persuaded that there is a legitimate claim.

* * *

AGRICULTURE

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, some farmers are very concerned about the results of the current GATT negotiations.

Yesterday I met with representatives of several supply management organizations, all of whom expressed their support for Canada's proposals for strengthening and clarifying article XI of GATT. They are concerned that Canada will be forced to abandon its firm stand on article XI in order to reach a compromise between all parties.

My question is for the Minister of Agriculture. Can the minister assure this House of his commitment to a strengthened and clarified article XI?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member's question is appropriate because at this time there are unjustified fears.

The Government of Canada developed its position at GATT with the stakeholders, with the farmers and with the producers. That position is to maintain, to strengthen and to clarify article XI. That means that Canada, the government along with the producers, will maintain that position on supply management throughout the negotiations. We have stated that before.

I have stated that not only has Canada said we would maintain it. I have actively been promoting the position of clarification and strengthening of article XI wherever I have had the opportunity to meet members of GATT.

* * *

TEXTILE INDUSTRY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, a week ago Dominion Textiles announced that it was shutting down its Hawkesbury Fiberworld plant laying off permanently another 86 workers, stating that it could no longer compete with U.S. plants because of the high dollar policy of this government.

Given that this is the second plant closure in two weeks for the same reason in my riding, how many more plants have to be closed and how many more people have to lose their jobs before this government understands the disaster that its high dollar policy is causing to my constituents and others?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member blames the ills of the textile industry in his riding on the value of the dollar. I would like to see that rationale.

Perhaps the hon. member may want to share some of the information with me because quite frankly, as has been pointed out on many occasions, you cannot devalue your way to prosperity in this country. One has to compete in the international marketplace, the global marketplace. Many industries in fact are doing just that.

I think the merchandise trade balance surplus which is growing is a clear indication that Canadian companies are indeed competing.

The hon. member should know that the value of the Canadian dollar over the last 40 years was 92.6 cents. Today the dollar is in the 88-cent range, considerably below the 92.6-cent average which was the prevailing average over the 40-year period.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, we are not talking about 40 years ago. We are talking about people who are losing their jobs today.

[*Translation*]

I would like to direct my supplementary to the Minister of State (Small Businesses). Eastern Ontario is being hard hit as a result of unemployment rates of up to 15 per cent in Hawkesbury, 16 per cent in Cornwall and similar rates in Pembroke and other parts of the region.

• (1500)

When will the minister announce a recovery program for Eastern Ontario which is suffering as a result of the policies of his government and his Minister of Finance, who refuse to listen?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member and I have discussed this at length over the past few months. He knows that we are preparing a program which will address eastern Ontario in particular.

One thing that he should notice is that he has agreed with me in the past that what is needed is a more competitive environment in eastern Ontario. A lot of this has to do with training. A lot of this has to do with a more productive labour force, and that is part of the prosperity discussions and consultations that we are going to be beginning with shortly. I hope the hon. member will join in those discussions.

* * *

SPORT

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Minister of State for Fitness and Amateur Sport.

This weekend in Victoria there was the national coaching seminar at which 151 coaches signed a petition expressing their deep concern with the removal of Abby Hoffman from her position and in particular the timing, which was four months before the winter Olympics and nine months before the summer Olympics. They are very concerned about the morale in the sports field leading up to these important international competitions.

Could the minister take this opportunity to assure them, athletes, trainers and the public in Canada that this government remains committed to high performance at the international level as a role model for Canadians, and as a bond for Canadian unity?

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, as my hon. colleague knows, I was in Victoria also over the weekend and unfortunately I was not given a copy of the petition.

On the other hand, I was informed about the concerns with respect to high performance sports, which I addressed very specifically in a speech I gave to Sports Forum II the night before I left for Victoria and at which my hon. friend was present. The Government of Canada is still committed to high performance sport.

POINT OF ORDER

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, in terms of the question raised by the member for Mission—Coquitlam on Dr. Chan's funding, I just got the information that the department actually turned down the request by Dr. Chan. The reason was that study he would make would take about a year and a half to two years before having some conclusive answers. Already the American United States FDA has asked the company that makes the Meme implant to undertake immediately a very comprehensive and extensive study similar to that proposed by Dr. Chan and conclusions will be available long before the proposed one.

In light of what she asked me concerning women and their health, I think it will be better to wait for the answer from the Americans instead of having something which will come later in Canada. That is the reason why the proposal has been turned down by the department.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, perhaps I might respond to the minister's comments. I thank him for seeking the information and coming back to me on it.

While I appreciate that we are very reliant on the American Food and Drug Administration, it would seem to me that for a long time we have known that the Meme was a problem and we did not act until we waited for the FDA. I would ask that the minister reconsider and do something now for Canadian women.

ROUTINE PROCEEDINGS

[*English*]

BILL C-35

REFERENCE TO COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there have been discussions and I am sure you will find the necessary consent for the following motion:

> That the Order to refer Bill C-35 to legislative committee G be rescinded and that the same bill be referred to the Standing Committee on Justice and the Solicitor General.

[*Translation*]

Mr. Gagliano: Mr. Speaker, unfortunately, I did not consult with my colleague, the House Leader of the Official Opposition. We would therefore like to wait a little, until we have consulted, to give our agreement.

[*English*]

Mr. Cooper: Mr. Speaker, I would not expect the Whip of the Official Opposition to take my word on it, but may I ask that we could agree conditionally to him just advising the Table or the Chair that those consultations have taken place, because they have.

[*Translation*]

Mr. Gagliano: Mr. Speaker, the debate can continue and I will be back later after consulting my colleague.

The Acting Speaker (Mr. DeBlois): So I see that there is no unanimous consent for now. I therefore ask hon. members on both sides of the House to get together to move the situation forward.

* * *

[*English*]

PETITIONS

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have a petition signed by a large number of Canadians who are dissatisfied with this government's policies toward assisting farmers. My colleague, the very distinguished member for Algoma, brought to our attention today the fact that the government has only provided a little bit more than half of the assistance that was required for Canadian agriculture. My colleague is quite correct in what he is saying as he always is.

These Canadians agree with my colleague, the member for Algoma, that the revenue provided to farmers is most inadequate and they call upon this House to convince the government to provide more funding for agriculture.

JASPER PARK AIRSTRIP

Mr. Albert Cooper (Peace River): Mr. Speaker, I have the honour to table on behalf of the right hon. member for Yellowhead a petition concerning the Jasper airstrip. It has hundreds of signatures of people who are very concerned with the possible closing of the Jasper Park airstrip.

I would like to also add my personal support for keeping that particular airstrip open.

UNITEL

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, it is my honour and privilege to present a petition from residents mostly of Kamloops and Campbell River who urge Parliament to oppose Unitel's application to get into the telephone business primarily because of the severe impact it will have on areas outside of our major cities. It will negatively impact on the rural areas tremendously.

The petitioners are also asking that hearings be held in the communities concerning Unitel's application.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, pursuant to Standing Order 36, I have a petition to present from a number of people in British Columbia who are concerned about the potential devastation of the phone system if Unitel's application is granted. They call upon the government and the minister to oppose the application, and to hold local hearings in areas that will be affected, particularly outside the urban core.

[*Translation*]

GUN CONTROL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have the honour to present a petition from Ottawa, Gatineau and Gloucester concerning firearms. The petitioners declare that the accessibility of firearms is a key factor in homicides, accidents and suicides and that many types of weapons which are easily available in Canada are not needed for legitimate purposes like hunting and competitive shooting.

The petitioners ask Parliament to legislate now so that no one with a criminal record can own a firearm.

[*English*]

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, I have a petition today to present on behalf of a group of farmers from southwestern Ontario calling for the government to provide the same assistance that would have been provided this year if the GRIP and NISA programs had been in place.

• (1510)

The announcement by the government two weeks ago was only half of the amount that is needed, so they are petitioning and calling on the government and on Parliament to provide that assistance which is urgently needed by Canadian grain, oilseeds and horticulture producers.

UNITEL

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I have a number of petitions from people throughout British Columbia: Campbell River, Comox, Nanaimo, Cranbrook, Kimberley, Courtenay, Rossland, Trail, Castlegar and Kaleden, in total about 500 signatures.

These petitioners call upon the government, the Minister of Communications in particular, to oppose the bid placed before the CRTC regarding Unitel's application to carve off a piece of the long distance telecommunications market.

The people are very concerned about the effect that will have on telephone rates, particularly for those individuals in communities outside major metropolitan areas.

I would like to submit on their behalf these petitions today.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I have the honour to table in the House today under Standing Order 36 a petition signed by a number of residents of primarily the interior of British Columbia who are expressing their concerns about changes in telecommunications policy in Canada.

The petitioners call for full consultation among all parties affected by any changes in the long distance and local service relationship, in particular rural areas.

[*Translation*]

ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY OF BIRTH OF MARIE SKLODOWSKA CURIE

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition on a commemorative stamp for the 125th anniversary of the birth of Marie Sklodowska Curie, for her scientific contribution to humanity.

The petitioners, residents of Canada, think that her discovery of radium, which is used throughout the world for therapeutic purposes, should be pointed out by

Canada. They believe that Marie Sklodowska Curie, who twice won the Nobel Prize for her discovery of radium and was the first woman to earn a place in the history of science, should be recognized by Canada.

They ask Parliament to call upon Canada Post to pay tribute to Marie Sklodowska Curie by issuing a commemorative stamp for the 125th anniversary of her birth on November 7, 1992, which is also Canada's 125th anniversary.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

POSTAL SERVICES CONTINUATION ACT, 1991

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Danis that Bill C-40, an act to provide for the continuation of postal services, be read the second time and referred to Legislative Committee H.

The Acting Speaker (Mr. DeBlois): At the suspension of the debate the hon. member for Essex-Kent had the floor. You have ten minutes left.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, I was really trying to point out some of the inadequacies that have come along with regard to the government and Canada Post in dealing with a potential powder keg that they have had over a very long period of time.

Through the seven years this government has been in power we have seen a decline in the relationship of the employee and the employer situation at Canada Post and a decline in most of labour's problems as far as the government is concerned.

Where have these energies been placed? Obviously there has been some concern over the last while with regard to Canada Post and its approach to public relations. It seems to me that the greatest public relations goal that Canada Post could have carried out would have been to set something in place which would give its employees some confidence, some esteem, some good feelings about the corporation. It has not chosen to go in that direction. It clearly has chosen to take other action.

One of the actions that many people in my riding have been very upset about is removing the word "Canada" from Canada Post. We no longer have the word "Canada" there. I guess that is the course of privatization, but it also is the course of disassociation of this government from Canada Post. That is very unfortunate because this government is still responsible for that service.

As my colleagues have stated many, many times, the removal of the word "Canada" from Canada Post is a removal of a symbol that all Canadians did cherish and it is something that should not have happened.

We have seen it pursuing sponsorships like a SkyDome box. We have seen it sending out advertising in areas of the arts and car racing, rather than getting down to the nitty-gritty and dealing with its employees in some positive fashion.

While it is advertising and renting boxes at the SkyDome, it is receiving over 100,000 complaints about what is happening within the corporation.

I received several copies of video promotions which were sent to the employees about how great the Canada Post Corporation was. Those video reports came back to me, telling me what negative action Canada Post and this government were taking with regard to dealing with the employees.

As a matter of fact the promotions were causing exactly the opposite, negative reactions from its employees. The result is that many of the things it is doing, bragging about the profits, its advertising, renting boxes at the SkyDome, are causing the employees to ask: "Why does it not treat us relatively fairly. Why does it not sit down and negotiate a contract that would be reasonable for us?" Canada Post has stepped aside. Over the last two years while the employees have been working without a contract, the government has totally avoided pursuing this issue and getting things straightened out.

What has happened as far as the service area is concerned? If we really believe that service to Canadians is the priority of Canada Post, why have we seen 1,000

post office closures in the last couple of years? Why have we seen door to door delivery stopped and supermail-boxes put in their place? Why are seniors, who at one time received mail at their homes, now travelling somewhere else to pick up their daily deliveries? Certainly, that creates a tremendous hardship and at the same time it created a great deal of tension between management and the employees.

Two levels of service to Canadians is a hallmark of this government's approach to Canada Post.

If the bottom line really were service, then it would not have taken the approach it has over the last seven years. It certainly would have looked at the situation of its workers and handled it much differently.

Watching seniors line up this summer highlighted in my mind the attitudes of Canada Post and this government toward the workers they employ.

I was questioned about the long lines seniors experienced and the difficulties they had in collecting cheques. In the 100 degree temperatures, many people were unable to stand in line over long periods of time and it was very distressing to these individuals.

• (1520)

I phoned Canada Post and talked to the executives there and suggested that CUPW had recommended that they would take those cheques, deliver them to seniors and make sure the system operated properly. The answer that I got back from Canada Post showed the difficulty that exists. Management in Canada Post suggested that the workers could not be trusted to deliver the cheques and therefore they were not taking action at that time.

The next day, Liberals in our caucus got together and discussed the issue and demanded that the government accept the suggestion of Canada Post and that the minister pursue what CUPW had suggested.

We then sent a letter to the minister and had a press conference in order to bring this item out to the public. The result was that the minister did act and accepted CUPW's request. I will commend him for that, but the minister should have been involved with that much sooner rather than sitting back.

At the same time, we made a recommendation to the minister that, instead of allowing this process to deteriorate as it had, he to appoint a mediator and make certain that the hearings on both sides were handled reasonably well.

The minister at that point again responded to Liberal recommendations. He came out that evening suggesting that he would appoint a mediator. It was two days later that he appointed Alan Gold as the mediator in the dispute. But I want you to realize that the Liberal Party is not just sitting back criticizing. We have made very positive recommendations as to how this minister and this government can move along with the process rather than totally sitting back, ignoring the situation and allowing it to deteriorate.

I believe that the mediation that has gone forward with Mr. Gold, CUPW and Canada Post is very positive. I understand that a little earlier today, CUPW gave Canada Post notice that it may possibly go out on strike as early as tomorrow. That creates another disastrous situation.

But the government seems to move step after step after step to add to the turmoil, the tension and the real causes rather than try to resolve issues and create a better climate for all to work under.

It is the government's responsibility to look at the causes of tension, to look at the difficulties and not just bluntly say: "Take it or leave it, this is the way it is". I believe that is why this government over seven years has developed such difficulties with all of its workers and not just CUPW workers. If we look at all of the workers who serve this government and labour across this country, it is very, very downtrodden. Jobs have been lost, anger raised and there has been almost a rebellion in the land. What is causing it? I believe it is this government's inaction to deal properly and fairly with the work force of this country.

It is important that this government take that on.

I will reiterate again that no one in this country, in the Liberal Party, in the Conservative Party or the NDP Party wants to see a strike or the disruption of the vital service Canada Post offers. It is the responsibility of this government to make certain that the tensions and problems that have generated over the last seven years are dealt with and dealt with adequately and properly.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I too would like to take part in this debate, but I will not have time to make a speech and give my opinion on the subject. I listened

carefully to my hon. colleague, who only talked about the SkyDome suite, which seems to bother him a lot.

He also talked about labour-management relations. He mentioned as well that the company did a lot of advertising. Mr. Speaker, it is good for a company to have a sense of social responsibility, and I think that Canada Post, in my riding and in several others, has even financed advertising on figure skating for a few hundred dollars. It was not much, but I think it is all right.

When the hon. member talks about—

[*English*]

—labour relations and the turmoil.

I have been following this issue since my business people did not receive their cheques the last time. They were all calling me and they saying: "What is going on with Canada Post? For 20 years there has always been a problem".

At Canada Post in the past 20 years the president has changed many, many times. The problem we have with the union president is that I do not think it has changed in the last 20 years. At the end of every contract we have a strike or violence. I remember that. In 1984 when we took office the corporation was losing $400 million. Today it has a profit of $200 million. It is normal it invests in publicity or whatever it wants. I do not think it is bad.

I must ask my hon. colleague to answer these questions if he can and to take some notes. Does he really believe, if there is a strike tomorrow at noon, that all the cheques will be delivered to enterprises which create jobs in this country and try to make a buck? It has become a crime to make a profit in this country. Does he really believe that these people will get mail service because he defends so well the poor people and the poor union? What about enterprises that are suffering and old people who need their cheques? Does he really believe that the cheques will be delivered if there is a strike tomorrow at noon, as the union has requested?

Mr. Pickard: Mr. Speaker, I thank my colleague for the question. It certainly opens up several issues that I believed I addressed. However, I will bring it back to that point.

As far as union leadership and leadership of Canada Post are concerned, I must point out that the president of Canada Post has been there for 10 years, and I thought the hon member would know that. There has not been a change. Don Lander has been there. He was there leading Canada Post. The hon. member can check the date he was hired. It is very clear what the situation was.

The hon. member pointed out that Canada Post is a profit making corporation. What a total joke. They said they made $196 million two years go. They made $96 million last year and $14 million this year. Those were their statements of profit.

Let me point out that they received $690 million worth of grants. They did not pay their employees. They have not been paid increases because a contract was not negotiated. They are two years behind on which they have to pay retroactive salaries. When the hon. member talks about a profit making corporation he is not talking about all the facts. He is only talking about a ton of propaganda, not truths.

When it comes to the delivery of cheques to businesses, when it comes to the delivery of cheques to seniors, this party intervened with his government, intervened with Canada Post and demanded that those cheques be delivered. CUPW made an offer to deliver them. Canada Post said: "No, we don't trust them".

I then requested the minister to make sure they were delivered and they were delivered two days later. It is the intervention of the Liberal Party that made that difference and I think the hon. member should clearly know that. The hon. member can ask his own minister if he does not believe that.

As far as the mediation goes to come to a solution, it was again the recommendation of the Liberal Party that came about with the suggestion of mediation and the process that was put in place.

• (1530)

When you stand up and say you are representing business, Canada Post has no right to buy a SkyDome box. Canada Post has no right to spend that kind of money. It is not in the best interests of Canadians. It is in the best interests of a few corporate owners. I would say to you that we have received strong criticisms of those

policies and you should listen to what we are saying because it is important to Canadians.

[*Translation*]

Mr. Della Noce: Mr. Speaker, the hon. member has got it wrong. I would just like to set the record straight. He was talking about profits of $196,000.

An hon. member: Million!

Mr. Della Noce: But I think he meant $196 million. That is not quite the same thing, but the Liberals have trouble distinguishing thousands and millions of dollars. I think he meant $196 million.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I would like to commend my colleague from Essex—Kent on his intervention as the postal critic for the Liberal Party. He has had a lot to do with the whole issue and the evolving process that we have been going through in the last two months.

I wonder if my hon. friend would tell us what his sense of the back-to-work legislation is, what issues it may solve and what issues it may not solve. There is a sense out there, and in many cases it is the spin that members of Parliament and the government side put on a particular issue, that once we have dealt with this as back-to-work legislation or, as I would like to call it the essential services legislation, somewhere down the line this whole process is going to have to be revisited.

I wonder if the hon. member would like to comment on that particular scenario which seems to be on peoples' minds.

Mr. Pickard: I would like to thank my colleague from Kenora—Rainy River for his question.

I was first going to answer my colleague across the way, but I note that he did not stay to hear an answer. His question could not have been so pertinent or important. I find that quite Tory-minded.

My colleague from Kenora—Rainy River has pointed out that when we come to legislating people back to work, there are ramifications of that process. Certainly when we stop and think about ramifications, we are taking a movement upon a group of people and I guess you have to weigh these things: do they feel in the end that they were treated fairly? Do they feel in the end that they were winners? Do they feel in the end that they can live with what comes down? I cannot make that judgment.

It would seem to me that when going through a process for two years, attempting to resolve problems to which they did not get a proper resolution, when they walk away and are legislated back to work, they feel animosity toward that legislation. They feel anger that they have not been heard and dealt with in a fair, open, free way.

That is why we have the collective bargaining process in place and that is why we use the collective bargaining process. I am not in any way saying that anyone wants to see a strike. However, what we do wish to see and what I recommended to the minister as late as Thursday of last week was that as long as the parties are sitting at the table negotiating, let them work out their differences. Let them work out the problem, let us not interfere and cause added problems to it. Let us not interfere so that some groups feel they are losers.

I think interference is not the best at this time. It could have been much more appropriate when negotiations stopped.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I welcome the opportunity this afternoon to speak to Bill C-40, whose purpose is to force Canadian postal workers back to work.

[*English*]

How did we get into this mess? The government across the way of course will say it is the fault of Jean-Claude Parrot or of anybody else who happens to disagree with the government. That is the standard Tory line.

It is not that simple. First of all let us remember that in 1986 the government across the way approved the corporate plan of Canada Post. So Canada Post's approach to management, the broad concept that it is aiming at right now has been approved by this government. No one forced the minister to approve that corporate plan. I did not see Jean-Claude Parrot successfully twisting the arm of the minister in order to have the corporate plan changed, nor was the opposition able to convince the government to do otherwise.

As far as I remember the only person who managed to get a small element of the corporate plan changed was a lone backbencher on the government side. In 1986 he started a caucus revolt on the issue of the threat by Canada Post whereby rural mail would be eliminated except for main county roads. All the boxes would have to be repatriated along those main roads and there would be no delivery in rural areas.

That was changed by the late member, Dan McKenzie, who led a group of Tory backbenchers to raise a kerfuffle in the Tory caucus.

Apart from that the corporate plan that Canada Post presented to the government was approved lock, stock, and barrel. That includes the shut-down of post offices in urban areas. That includes the closure of all 5,221 rural post offices in Canada. That is all part of that plan. We on this side of the House did not invent that.

The postmasters and the assistants' association did not invent that.

[*Translation*]

And neither did Jean-Claude Parrot, nor his union, nor the Letter Carriers Union which already existed at the time. Mr. Speaker, the government must admit it was responsible for this plan. It was the government that gave Canada Post these guidelines. And of course, lest we forget, there is a minister responsible for the Canada Post Corporation. I repeat: responsible.

[*English*]

The government says: "Look how smart we are. Canada Post generates profit". All right. Let us say there is the odd Canadian who still believes that this government is smart. An unlikely proposition given the popularity of the government across the way. Nevertheless, there could be the odd Canadian—there is the odd Canadian who believes that Elvis Presley is still alive, so nothing is impossible— who still believes that the Tories are smart.

Let me tell those misguided few, whatever number there may be, that this is how it works. The 1989-90 annual report of Canada Post is a good example. The member who is heckling across the way, the member for Laval East, said a while ago: "Isn't it Canada Post which gave us $149 million in corporate profits, therefore aren't we great?"

Mr. Della Noce: I didn't say that.

Mr. Boudria: All right, okay. Let us look at it this way. Of that $149 million profit, $118 million was generated by the sale of assets. This is about the same as if we sold the Speaker's chair and declared that the House of Commons had made a profit. Could you imagine that, Mr. Speaker? How preposterous that proposition is. That is not profit in the sense that most of us know it.

Of course it shows up in the books as having generated extra revenue for Canada Post but you would have a hard time replicating that. That is why, of course, profits have gone down in subsequent years as you are disposing of the assets, selling off the furniture to pay the rent.

Mr. Della Noce: We don't need assets, we need service.

Mr. Boudria: Let us look at what they have done to labour relations. My distinguished colleague from Essex—Kent has pointed out very astutely—he is always very astute, of course—that Canada Post has profit, any profit, simply because it is two years behind in paying increases to its employees. Small wonder. If I owed you or anyone else money, and I did not pay it, that is money that I would have more than had I paid my debts. That is the situation that they are in as well and it is something that people forget to say. Of course, it is Tories who usually forget to say that.

• (1540)

Let's talk about labour relations at Canada Post. We have heard all the horror stories in that regard. You will remember the Liberal task force on labour relations at Canada Post.

My colleagues from Essex—Kent, Kenora—Rainy River, Mississauga, a number of others and I went to various regions of this country. We talked to ordinary Canadians and postal workers as well about the labour relations of Canada Post.

We heard of everything from threats to sexual harassment to everything else going on inside that corporation against employees of the corporation by people in authority. It was just terrible. It was a horror story, the kind of which the United Nations deals with.

Let me give you a fine example of how Canada Post treats people. I brought this letter to the attention of the public before. It is dated December 1986 and it is a letter sent to an employee of Canada Post in the Vancouver mail processing plant.

I will say the name of the employee simply because the postal union has made this name public in the past. The letter is addressed to one L. Chu. Listen to this, Mr. Speaker.

The letter talks about this employee who is a real bad person according to management because he has a terrible attendance record. Listen to the facts. It says as follows: "For your information, in December of 1985, you booked off sick on one occasion for a total of one day. One reason that you missed this much work may be that you have overworked yourself.

In December of 1985, you worked 11 hours of overtime. Perhaps this year you should limit the amount of overtime that you work so that your health is not adversely affected".

The letter goes on like that with this kind of nonsense as if an employee who misses one day a month should be reprimanded. An employee who does 11 hours of overtime in a month is about the same as Parliament sitting an extra five minutes.

It is normal but this is the way they treat people. This is the way they treat people inside that corporation. I have cases and cases of such instances in a binder that I have here. I have literally three inches thick of horror stories and that does not even count the backlog of 110,000 grievances that we have right now before the corporation.

[*Translation*]

Mr. Speaker, I realize that some members across the way will say not all the complaints and grievances of the postal workers are well founded. That may be true. But 110,000 can't be all wrong! A substantial number of those cases are certainly true, are certainly genuine, and Mr. Speaker, they certainly have complaints and grievances that deserve to get a hearing.

[*English*]

Let me give a few instances. Last Friday I raised the case in this House of one Huguette Perrier of Dalkeith, Ontario, in my riding.

Mrs. Perrier was delivering the mail under a rural contract. She picks up the mail at the post office, sorts it out and delivers it on the concession. This person is 65 years old and a widow. She had been doing the job nine years, since her husband died. Her husband was doing it before that for 15 years.

Between the husband and wife, they had been delivering the mail on that rural route for 24 years. Do you know what they did this year? They put out the job for tender and she lost it because of $1,500.

[*Translation*]

Meanwhile, the government opposite gave the president of the Canada Post Corporation a salary increase of $131,250! That is not his salary, just a salary increase, Mr. Speaker, adding up to a grand total of $370,000, if I remember correctly.

[*English*]

I have another case. Unfortunately, I cannot name this next individual because I don't have her permission. But I have a person who works in a post office in my riding, a woman again, who phoned me. Most of them are women by the way, 83 per cent of the people who work in rural post offices in Canada are women and the government should remember that. It seldom does. This woman works in a post office and has worked there for some time. She was sick and needed surgery. She had an operation and obtained a medical certificate prior to leaving. When she came back she received a letter from her superior cancelling her sick leave retroactively from the date it was awarded and deducting from her pay cheque a reimbursement of the sick leave that she took.

I intervened on her behalf and had the nonsense cancelled. Of course they ceased to collect money from her and they gave her back that which they had already collected.

That is the way people are treated in that corporation. When these cases were happening in my constituency, I got wind of a manager at Canada Post who had seemingly nothing to do. This person was phoning post offices in my riding and asking postmasters to remove the picture of the Queen from the post office. That happened in Hawkesbury, L'Orignal and Vankleek Hill. Who asked for this? No one that we could ever determine. It was simply someone in management at the post office who had nothing better to do than to concoct a scheme for himself or herself to have the Queen's picture removed

from post offices. Now what on earth is that supposed to accomplish?

When I protested about this to the officials of Canada Post, I told them that the day we decide to change the head of state of our country, it sure won't be a flunkey inside the postal system who will make that decision. It won't be a post office manager, it will be the Parliament of Canada after consultation with the people of Canada and no one else. But why did that particular manager make that decision? I never got an answer from Canada Post. The Queen's picture is back in the post offices finally. In one case it took about four months to put back the frame that took 30 seconds to take off, but they finally did it.

Why don't they just deliver the mail? Does that sound so hard?

In rural Canada, Canada Post got into this binge of shutting down rural post offices. Now here is how it went about doing it: It decided to shut down rural post offices if and when the postmaster died or retired. Now, in Canada Post jargon that is referred to as the "natural opportunity criteria". Here is how it works:

If a postmaster dies, that is natural and therefore there is a natural opportunity created, so you shut down the post office. That is how the natural opportunity criteria works. If the postmaster retires, he or she has aged and reached the age of retirement, ageing is also natural therefore the natural opportunity criteria has been met again. So that is how that works too.

So you shut down the post office and you franchise it out. There is no more post office and the mail is sorted 15, 20, 30 miles away. It is brought in weather permitting, and then of course people go and get it outside in supermailboxes that freeze in winter. That is known as improved service.

The way the criteria for this improved service works is the following:

[*Translation*]

Whether the post office in question made a profit or a loss was not a factor. There probably are examples where a rural post office makes a substantial profit, but Canada Post is not interested in such mundane matters. It is interested in closing a post office if it feels like it or if it seems like a good time to do it, without always considering there may be some very good reasons for keeping the post office open. No, it closes them regardless, to the extent that we have lost about 2,000 post offices in rural areas in Canada, if I am not mistaken.

• (1550)

[*English*]

Some time ago we appointed in this country a Postal Services Review Committee. This Postal Services Review Committee was appointed by the government and led by Mr. Alan Marchment. This committee was to make recommendations on future postal increases, the quality of management and all kinds of things at Canada Post.

Guess what happened to this postal review committee? The committee was supposed to have been transformed into a board. There was legislation presented in this House. It died on the Order Paper. The government never proceeded with the legislation and never reintroduced it. This postal review committee and the future postal review board was to be the watchdog of the post office, a form of CRTC of the post office, if I can call it that. It died on the Order Paper.

Not only that but when the Postal Service Review Committee brought forward its report, the government read the report, did not like the contents and fired the committee because it did not like what it heard.

[*Translation*]

This is what the Review Committee on Canada Post recommended in its first and last report, after which it was disbanded by the government opposite. Some of its recommendations were:

That Canada Post examine the possibility of extending home mail delivery in urban areas.

Second, that Canada Post review its program for closing rural post offices.

Third, prevent deregulation of the majority of services offered by Canada Post.

These recommendations were made by the Review Committee on Canada Post. I myself appeared before the committee to discuss these three points and a number of other points, and I did so on behalf of my colleagues in the Liberal party who told me those were the kind of recommendations we needed. The Marchment Committee obviously agreed, since the committee adopted them. However, the committee was then disbanded thanks to the Minister responsible for the Canada Post Corporation, who is sitting right across from

me, Mr. Speaker. I can see him quite plainly, the Minister responsible for the Canada Post Corporation!

[*English*]

The question today is not whether we support the government. The question is: Do we need a postal service in this country? Any support for this bill should not by anyone be mistaken as supporting the Tories, the government or even the Prime Minister, most of all the minister responsible for Canada Post.

In conclusion, I say to the government across the way that when there are problems at Canada Post a *mea culpa* is needed on its part. It has created the mess we are in now.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I listened with great care to my hon. friend. I concede his depth of knowledge in postal matters. I learned a fair amount just by listening to him, as I can do from time to time.

I want to ask him a series of fairly straightforward questions. He began by speculating on fault as to the current dispute and the legislation the dispute has led us to. I understood him to say that Mr. Parrot was not at fault. I surmised from his subsequent remarks that he felt that the 1986 corporate plan was at fault. If it was, I would like to know specifically in what respect.

Second, I would appreciate knowing from the hon. member whether he embraces a particular position in the dispute. Does he embrace without reservation the position of the postal union?

Third, what would the Canada Post deficit be today if the corporate plan had not been invoked and if we had proceeded along the merry path the previous administration had set us upon?

Fourth, does the hon. member regard the Canada Post Corporation as an essential service? Does he think its employees ought to have the right to strike?

I do not want to be misunderstood on this because I do not believe there have been many cases of law breaking or even suggestions that there has been law breaking on the picket lines, but there were suggestions during the previous strike, the strike by Public Service Alliance of Canada members, and so I ask it in the broadest sense, when strikers are seen or are believed to have broken the law is it the role of the police to keep the peace or to apprehend or arrest suspected law breakers?

Finally, I heard a very tantalizing observation by the hon. member at the conclusion of his speech when he seemed to suggest that he might be going to vote for this bill, and I would like to ask him whether that is what he meant.

Mr. Boudria: Mr. Speaker, if I can start with the last remark, I never meant to tantalize my colleague across the way.

If I can get back to the first point that was raised, the member said I speculated on the fault. I do not have to speculate. The corporate plan of Canada Post has leaked from the day it got into the cabinet room. It leaked so much it was as bad as the Minister of Finance's budget. It was all over the place and we all knew what it contained. So there was no necessity to speculate.

I was asked that if the corporate plan was a mess, to give an example of that mess. I will be glad to do so. Let me repeat something that is very tangible with the people of Canada. Before I even do that, let me remind the member that it was his own colleague from Winnipeg, the late Dan McKenzie, who organized the party of Conservative backbenchers to do, shall I say, a raising of the feathers in the caucus room—I cannot use other words in this illustrious Chamber—in order to get that policy changed. That particular one was changed because it was so bad. They could not get the others changed such as the closure of all 5,221 rural post offices that were there in 1986. That is a disastrous example.

I have illustrated the plan to remove rural mail delivery save on county and regional roads. That is another example. That one was changed. There was the plan for the supermailboxes that do not open but freeze up in winter. Ask anyone who owns a supermailbox that will not open and freezes up in winter how great those contraptions are.

Many Canadians will say that was not such a hot idea.

I was also asked by the member across the way what the profit would be if that corporate plan had not been adopted. I do not know what other corporate plans were submitted to the government but if that is the best corporate plan it could come up with, it should have sent the officials back to the drawing board and made new drafts in order to make one that was more acceptable.

On the issue of the right to strike and should it remain and so on, Tories are always poking away at that one, that is their right-wing agenda coming back.

Let me tell the member across the way that if that right is ever removed, it should be negotiated. When they enter into negotiations with the union as well, they can negotiate with it and see if they can find something better. Meanwhile, those threats of removing the right to strike in the middle of the labour dispute by Conservatives do not do any good.

Finally, I was asked how policemen should do their work. Perhaps the member knows that this is not the provincial legislature.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Further questions or comments? The hon. member for Laval-Est.

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, before addressing what was said by the hon. member for Glengarry—Prescott—Russell, I would like to set the record straight, because the Liberals have a terrible habit of getting figures all mixed up. First of all, the president has not been with Canada Post for 11 years. Mr. Speaker, these remarks are not directed to the hon. member for Glengarry—Prescott—Russell but to the hon. member who spoke before. There were two presidents: Michael Warren, from 1981 to 1985, and Donald Lander, from 1985 until now. The hon. member for Glengarry—Prescott—Russell says he knows that. Too bad he did not say so before. I had to go and look it up.

• (1600)

Before, in 1981, Canada Post was administered by ministers and public servants—by bureaucrats. There were plenty of those! However there was also an annual deficit that varied from $400 to $600 million. Taxpayers are aware of this, and they don't want any part of it. I would prefer a profit of $200 million and getting my mail.

The hon. member said earlier:

[*English*]

"We sold the assets, that is why you made money." The important thing in this world is to get the mail delivered before two or three weeks, to get the mail like it is today, in two or three days. We have the best service in the world now. Canada Post is one of the best services in the world. That is what the business people want in my area.

If my friend is looking for more names, the hon. member from the Montreal area was a postmaster general in the days when the mail was not delivered very much. We did not do a lot when it was freezing in the winter time, I admit that, but we had a $600 million deficit because it was administered by the bureaucrats and the minister.

What I would like to know from my hon. colleague is what is important, the colour of the trucks or delivery of the mail? It is to get the mail through in a few days, as soon as possible, so businesses can get their mail, the senior people can get their cheques and all this.

[*Translation*]

I also wanted to tell the hon. member that if things are that bad, if this government is as bad as all that, how come Canada Post is one the best postal services in the world today? How come our businesses are satisfied? In 1984, when I was elected—and I am about to conclude my remarks—we saw trucks run by all kinds of companies, like Purolator, but not by Canada Post. Today, we hardly see any. At the time, Canada Post was losing contracts to private businesses, but today, it is a private business.

I have nothing but praise for Mr. Lander, the new president.

[*English*]

Mr. Boudria: Mr. Speaker, this was real good. It depends on what you think real good is.

I was glad that the member mentioned the colour of the trucks because I had almost forgotten about the millions that were spent by Canada Post to make a new logo. Instead of delivering the mail it had to design a logo that is shaped like a wing.

Some people were too busy flying off the handle with this new logo. Do you know what it did? It removed from the logo the flag of Canada and any identification of Canada and replaced it with a wing. Where it said Canada Post *La Societé canadienne des postes* it now says Mail Post. It has removed the word Canada and removed the Canadian flag from a national institution. That was the best it could do at that time and I am glad the

member reminded me of that. I had almost forgotten about yet another obscenity on the part of Canada Post.

The Acting Speaker (Mr. DeBlois): Before resuming debate, 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 Halifax—Port of Halifax; the hon. member for Timmins—Chapleau—Mining; the hon. member for Comox—Alberni–Land Claims; the hon. member for Winnipeg North—Health; the hon. member for Bonavista—Trinity—Conception—Fisheries.

Resuming debate.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would like to first comment on the last comment of the member from Laval East because he made reference in his questions to the previous speaker about delivery of the mail being the most important thing with Canada Post.

I would just like to refer him to an article in the *Globe and Mail* recently that said "Canada Post, Canada's largest Crown corporation, should be a dream operation. It has no competitors on its most lucrative product, first–class mail, renamed letter mail a couple of years ago when it was decided first class could no longer accurately describe the service. The price of a stamp is raised through an Order in Council, a cabinet decree that by–passes public scrutiny, and the government requires that private couriers charge three times as much as Canada Post to deliver a letter within the country".

Is this the same government that is now standing in this House and speaking in great glowing terms of how it believes that Canada Post is operating as a private corporation? Let us at least stay close to the truth when we are discussing Canada Post in terms of what Canada Post is.

I rise feeling again saddened in this House. This is the ninth piece of back–to–work legislation that we have seen from the government since the Conservatives have been in power. It is the fourth piece in the past year. It is the fourth while the current Minister of Labour has been in his position.

Parliament is becoming a labour court. Collective bargaining in the public sector has been reduced to being dependent on back–to–work legislation, not on collective bargaining. It is symptomatic that there are problems with how government and Crown corporations operate when dealing with their workers.

It is the policies of this government with regard to Canada Post that have precipitated this dispute. The zeal for privatization has meant a reduced level of service, a worsening of labour–management relations and closures of both rural and urban post offices.

We have heard hon. members from the other side of the House standing up and saying: "We must order these workers back to work". Let there me no mistake, CUPW did not issue its 24–hour notice until after the Minister of Labour rose in this House and introduced legislation for continuation of service in Canada Post.

We are not talking here at this moment of back–to–work legislation, we are talking about pre–emptive legislation that puts into place before a labour dispute, before a walk–out, legislation that requires those workers to stay on the job. It seems more to me to be about the removal of the right to strike than back–to–work legislation.

Closures of rural post offices and of urban post offices have meant a loss of 14,000 full time jobs. Those were well paying jobs and only a fraction of those closures from which private postal outlets were created have gone to unionized workers making a decent salary. Most of them have gone to corner groceries and convenience stores, drug stores and those workers are low–paid and often have very few if any fringe benefits.

We have had hon. members get up on the other side of the House and talk about overpaid postal workers. I would reiterate there is nothing in this country that should make one worker ashamed of drawing a decent salary for a decent day's pay. Of the people I have been in contact with at Canada Post, I do not know anyone who does not deliver a good day's work for a good day's pay.

Canada Post is firing workers at three times the rate of the federal Public Service and of most private sector work places. Privatization is firmly rooted in this government's strategy of fulfilling the wish of corporate Canada. In fact the BCNI and the Fraser Institute have been referred to by the other side of the House in setting the agenda for Canada Post with little if any consideration

for the needs of Canadian people, and certainly for the needs of those who work for Canada Post.

• (1610)

Privatization there is no doubt, because of where Canada postal stations are being opened, is hurting women workers the most. In fact the trend that is being accelerated of last hired first fired is leaving women unemployed from Canada Post in ever increasing numbers. In rural post offices 82 per cent of the workers who worked for Canada Post are or were women. I want to talk a bit about Canada Post as it is reflected in my area of Canada. My riding of Mission—Coquitlam is what one would call a suburban-urban-rural riding. Some people commute regularly. Some people work in the soft fruit industry and farming. Other people in fact work in communities in my riding and actually work in the area in the forest industry and fishing.

For the commuter the closure of post offices has become a nightmare. For the elderly and disabled in my riding the supermailboxes—and I use that term with a somewhat puzzled look on my face—are a horror and a nightmare. To ask elderly people in communities like mine in Canada where there is limited transportation and where there are limits in terms of streetlighting to go to supermailboxes and pick up their mail is just beyond comprehension. Then they are told they are getting improved service and it is a supermailbox.

The hon. member who spoke just before me talked about freezing locks. We do not get quite as much cold weather on the west coast of British Columbia as some parts of Canada, but we too have problems with freezing mailboxes. We also have problems because of the amount of precipitation and rain we have with rusted mailboxes, where the locks cannot be opened because they have rusted shut. I do not think that that could be called super service.

Another thing we are faced with is terrible messes on the ground of soggy flyers, et cetera, that people leave behind which have to be waded through, not to mention people who walk their dogs to get their mail and whose dogs do one thing while they are getting their mail and others are left to walk through it.

Supermailboxes are not a lot of fun, and for Canada Post to continually tell us that through this we are getting improved service is rather insulting.

In addition, you get a card to pick up a parcel in my riding. On a number of occasions I have received a card myself and have gone to the location where it says I should go to pick up my parcel, only to discover that those people got fed up and do not have the franchise for Canada Post any more and I have to go somewhere else but they are not sure where. I have to go to the post office to find out where I have to go to pick up my parcel. That is a regular routine happening in Mission—Coquitlam and I am sure it is not unique to that particular riding.

Last winter we had an unusual amount of snow in my riding and there are a number of rural delivery routes. I had all over the Christmas and January season endless complaints from rural route people who for weeks on end, not days, and in one case well over a month, did not get mail delivery because in fact the new people who had the new contracts could not keep up and could not cope with the weather on the roads. Yet for years when we previously had inclement weather before Canada Post had implemented its new super service we had no difficulty in those same areas where people had been receiving their mail for 25 years.

Last August when the rotating strikes began in my riding the workers said they would not deliver flyers on the last day or the day the cheques were supposed to go out, unless they were given the opportunity to deliver old age pension cheques as well. Canada Post refused to give the old age pension cheques to the carriers.

When I called Canada Post and inquired as to why this was so, the response was: "We are fulfilling our commitment to our customer". When asked who "our customer" is, the Government of Canada was the customer. When asked why, when they had a memo of which I had a copy that said the mail should be delivered on or before Wednesday and it was after Wednesday, the cheques

were not being delivered, I got the answer: "We are fulfilling our commitment to our customer".

When we have said that they want to deliver the mail, they want to ensure that people are not left high and dry without their cheques, and Canada Post is refusing to deliver those cheques even though there is not a strike in place, that begs the question of attitude. It begs the question of the attitude of Canada Post to its workers. That, I would suggest, is very much at the root of the reason why we are even discussing this legislation today in this House.

There is a backlog of over 100,000 union grievances filed by postal workers against their employers—100,000 grievances. The hon. member for Saint-Jean says withdraw them and we would not have a problem. My goodness, I am finding it really hard to keep my language parliamentary here. We are talking about 100,000 grievances. Even if half of them were bum grievances, that means there is still 50,000 legitimate grievances and it is high time that we started addressing the problem here.

CUPW spends a quarter of its annual budget fighting on behalf of its members with regard to grievances. God knows, if CUPW is spending a quarter of its budget, how many bucks is Canada Post spending to fight those workers through the hiring of expensive lawyers, taking these grievances to arbitration, or even end-running these grievances. It is a waste. If in fact labour relations were on a decent, even keel and there was respect for the workers in the work place, we would not be facing 100,000 grievances.

Workers in my riding and in other ridings I have been told of are being harassed constantly with spot checks of personal belongings, phone calls at home while they are off sick to determine if they will be returning to work or if they could assume other duties, including sick calls for night shift workers in the wee hours of the morning.

I have a large number of CUPW members in my riding who have told me of the harassment and intimidation that goes on daily in their work places. They told me of colleagues who have had to take time off because of the stress of constant surveillance and constant harassment. This is not cost effective. This is not good private sector behaviour. This is not the kind of behaviour that is going to produce a grand corporate profit, but in fact the kind of behaviour that leads us into the kind of discussion we are having today.

If Canada Post were really concerned about it being efficient and effective, it would spend more time and more resources improving its labour relations in the work place instead of trying to convince the rest of us that it really does provide a decent service when everyone knows that it is simply not the case.

There is another factor. I cannot tell you, Mr. Speaker, how many times Canada Post workers have said to me: "I have always wanted to do a good job. I take pride in my ability and my skill, but I have been deprived by Canada Post of the ability to work with dignity because people are so angry at the corporation and I am the first line that people see and I get it from the customer who is dissatisfied".

• (1620)

One of the things that most members of this House could agree with is that they probably have file drawers full of complaints from constituents regarding Canada Post. They are complaints about changes that have a lot more to do with the Tory corporate agenda than with the priorities of Canadians who want and need a good postal service, a lot more to do with a corporate agenda than anything to do with the needs of people who serve their employer and sell their employer their working hours every working day of the week.

Some of the statistics regarding Canada Post are truly frightening. Since January 1986 Canada Post has closed over 1,160 federally owned and operated post offices. Canada Post's stated plan is to close all public post offices by 1996. This will cost 14,000 decent paying unionized jobs, and then the government wonders why workers who work at Canada Post are just a bit upset.

As I said earlier, there are 100,000 outstanding grievances with Canada Post. From 1981 to 1984, five workers a month were fired. In 1991 the average was 59 workers a month who were fired by Canada Post. According to *The Ottawa Citizen*, Canada Post is firing staff two to four times more frequently than the federal Public Service and most private sector employers in Ontario. A wonderful, wonderful labour relations record for Canada Post.

There used to be a guarantee that there would be door-to-door delivery to communities with more than 2,000 points of call. Not any more. In fact in my community whole communities have fought the changes to Canada Post. They have fought the closures of their post offices. The whole community fought to be rid of supermailboxes and get the same kind of service on this

side of the street as their neighbours got on that side of the street.

What has the response from Canada Post been? No matter what you say to somebody, when you call Canada Post at the top levels to try to get some answers you get the corporate line: "We are committed to providing more service to Canadians". No matter who you speak to, no matter what the issue is and no matter what kind of information you are trying to get, you get the corporate answer of: "We are committed to better serving Canadians".

This is the outcome. Canada Post has purchased a corporate box in Toronto's SkyDome for $250,000. Canada Post's health and safety record is so bad that it had 10,036 debilitating work place injuries. In fact it was only exceeded by Devco. The Cape Breton Development Corporation had more injuries on a per capita basis. This is the Canada Post that is now unable to conclude a collective agreement with the union. Now the Minister of Labour comes to this House and introduces legislation that is not back-to-work legislation but the removal of the right to strike legislation because it pre-empts in fact a strike even taking place.

In conclusion, I would say that this government has a responsibility, albeit it is a Crown corporation it is dealing with, to make it very clear to Canada Post that corporate industrial relations have to improve so that we are not faced with this every time we go to the bargaining table.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to, bill read the second time and referred to Legislative Committee H.

The Acting Speaker (Mr. DeBlois): Accordingly, the bill stands referred to Legislative Committee H.

Mr. Hawkes: Mr. Speaker, there have been discussions among the parties and there is a predisposition for that committee to convene at 4.45 p.m. this day, approximately 15 minutes from now in room 209, West Block. It will convene for organizational purposes and my understanding is that we will probably be starting with the first witness at 5.30, provided the organizational meeting goes well.

I wanted to inform the House and all those watching of that pattern: 20 minutes from now, room 209, West Block.

[*Translation*]

Mr. Gagliano: Mr. Speaker, I would like to confirm what my colleague, the government whip, just said. Yes, after consultation and discussion, the committee can meet at 4.45 p.m. for an organization meeting. If the witnesses are ready, after the organization meeting, the committee can meet at 5.30 p.m. to hear them.

[*English*]

Mr. Murphy: Mr. Speaker, it is also my understanding that this is the arrangement. The steering committee will meet at 5.45 p.m. and agree on what I think will be a fairly short list of witnesses and hear those witnesses after 5.30 and then go into clause by clause study of the legislation at that time. At that time we expect that the minister will be quite reasonable and start listening to reason.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair notes all this agreement. So be it.

The Hon. Parliamentary Secretary.

[*English*]

Mr. Cooper: Mr. Speaker, I have a couple of motions that I need to put before the House at this time. The first motion is:

> That the order to refer Bill C-35 to Legislative Committee G be rescinded and that the said bill be referred to the Standing Committee on Justice and the Solicitor General.

Motion agreed to.

Mr. Cooper: The next motion is the following. I move:

> That notwithstanding any Standing Orders and usual practices of this House, on Tuesday, October 29, when the Minister of Industry, Science and Technology rises from his seat pursuant to Standing Order 33 to do a short factual statement on the prosperity agenda, that the next member to speak shall be the Minister of Employment and Immigration and that subsequently two members back to back from

each of the parties in opposition to the government make comment briefly thereon.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Does the Hon. Parliamentary Secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

[*English*]

Mr. Cooper: Mr. Speaker, may I suggest, and I think you will find consent, that we call it six o'clock. May I say further that what we should do is actually call it six o'clock to the call of the Chair and so that once we can be organized for the late show we can proceed with that even if it is prior to six o'clock.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): Just a word to avoid misunderstanding. There was no unanimous consent for the last motion and the House adjourns to the call of the Chair for debate on the adjournment motion.

Sitting suspended at 4.29 p.m.

SITTING RESUMED 4.50 P.M.

The House resumed at 4.50 p.m.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

PORT OF HALIFAX

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise today to speak on a matter which this House has heard over, and over, and over again, both from me and from other

members on this side. I refer to the future of Canada's world class port, the port of Halifax.

In the last six months I have put seven questions to the government during Question Period and seven times I have either been told "don't call us, we will call you", or I have been told that the container lines are leaving because of some mythical overcapacity problem. In one reply the Prime Minister told the House that he had some discussions with the Nova Scotia government, but what those discussions were remain a mystery.

• (1650)

Six times I have risen to speak in debate concerning the port and six times the phalanx of government backbenchers replied that there was no problem, that the seven container lines that left in 1991 would come back when circumstances permitted.

As the member for Halifax, I brought a private members' motion, M-540 before the committee and then this House. The government responded by voting against a modest proposal to change the way CN rail does business between Halifax and central Canada.

Two Standing Orders later and still no action from this government.

I rise again today to ask the government that preaches competitiveness to us on a daily basis to please, for once, let us compete. I demand on behalf of the out of work dockworkers and the silent piers of Halifax that this government wake up. Bring the ships back.

This government, by Order in Council, can make CN rail re-establish our lifeline to central Canada. No more studies. No more discussions over cocktails. Implement the proposals of the secret report, the report the government will not show us. As long as it goes on, as it goes on today, I will rise in this House again and again and again until the government realizes that it is throwing away the key to trade in the 21st century and the key to prosperity in the port of Halifax.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I appreciate again the hon. member's tenacity in this question. I am pleased again to respond to her. I think we are making progress.

Let us first address some facts. There have been some problems in the port this year and some business has

been lost. The hon. member should also mention that the port has previously set new records for the number of 20 foot equivalent unit containers. We on this side of the House would like to see a new record set every year but that cannot always happen.

When there is a downturn in traffic everyone is rightly concerned and all the parties work together to make sure every action is taken to restore the traffic. That is why Canada Ports Corporation as a federal agency is trying to facilitate a longer term co-operation between the container ports and the railways to enhance the attractiveness of Canadian container routings in general and has worked with the port of Halifax in particular.

That is why Canadian National Railway and the province developed an agreement for the funding of lease and purchase of double stack rail cars. That is why the city of Halifax has come to the assistance of the port by significantly trimming the taxes on the container terminals. That is why the port has made several concessions that are directly aimed at improving the port's attractiveness to foreign ocean liners.

I will give some examples: Capping of berthage charges; wharfage discount inventive on all traffic originating in or destined for the United States; establishing a maximum limit to the number of times a liner must pay harbour dues; and as well, certain other port tariffs have been frozen for two years.

The hon. member has been asking for a copy of the Ports Canada Container Study. I am informed that the corporation will be releasing a report to interested parties very shortly, perhaps as early as this week.

More important than the physical release of the report, though, is that the report will be the basis of important discussions at meetings with the container ports, and their marine communities. These regional meetings will provide an opportunity for discussion and feedback not only on the competitive issues facing the ports but on the potential strategies to maintain our competitive position in the world transportation system.

If the member can share with the world the way to solve the problem of over-capacity on the high seas, she will have joined the rest of us who are working to promote this great port.

MINING

Mr. Cid Samson (Timmins—Chapleau): Mr. Speaker, on October 9 I asked the Minister of Energy, Mines and Resources what he was going to do to help the mining industry.

I pointed out to him that the mining industry in northern Ontario is in dire need. I informed him of the approximately 1,000 jobs that were lost last year in the Timmins area alone. The minister spoke of current negotiations for mineral development agreements between the federal government and its provincial counterparts.

The mining industry and those who depend on its livelihood would welcome just about any good news at this point. They need a firm commitment from this government that it will do all that is possible to ensure this industry's future.

I would just like to quote from a Canadian minerals yearbook, published and authored by Energy, Mines and Resources, Canada. This document refers to the year 1990 and I quote:

> Lower commodity prices in 1990, combined with higher interest rates and a strong Canadian dollar, resulted in poorer financial performance for most producers.
>
> The financial results for the first three quarters of the year gave indications that earnings for the full year could end up being as low as half the earnings of 1989.

I think that is an area that still exists today. It is an area that this government could be looking into. We have mentioned before that the Canadian dollar is too high. We have mentioned that Canadian interest rates are too high and I think that is one of the solutions that could be looked at by the minister.

Another area that the minister could look at was put forward by my colleague from Churchill and is the establishment of a national mining reserve fund. In his proposal he outlined the fact that Statistics Canada figures indicate that the federal government benefits from the mining industry. It received $1.5 billion in federal revenue from it.

He only asked that some of that money be set aside for the future to provide more security for those living in the mining communities. I think it is a fair and reasonable approach and should be very seriously considered by this government.

In conclusion, I would like to ask the minister once again if he would look into the future and think about protecting this country from further losses of revenue by letting this industry die.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, to my hon. colleague from Timmins—Chapleau I would say that the industry in northern Ontario has been worth over $6 billion over the past few years.

The Minister of Energy, Mines and Resources and our department have worked closely with the province, labour, and the industry. We have announced in the last few months a national mining training program to ensure that the industry will be competitive down the road.

We have also worked with the industry, labour, and the province to come up with a mapping system called MILAC which will indicate exactly the land use that is available for the mining community across Canada.

At the mines ministers' conference just a few weeks ago there was a joint communique between the industry, the province, labour, and the federal government. We are going to be looking at the over-all issues which the mining community will be faced with over the next number of years in regard to competitiveness and external pressure from around the world.

I would also like to announce today that very shortly a mineral development agreement will be signed with the province of Ontario and northern Ontario worth $30 million. In that program there will be information exchange programs, productivity and technology programs and economic development programs for northern Ontario.

The minister and our department continue to work closely with the industry because we know it is the heart of not only northern Ontario but other regions of the country and we will continue to do our utmost to ensure that the stability will be there.

LAND CLAIMS

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I rise to express my dissatisfaction with the minister of Indian Affairs' response to my question of September 18 concerning the failure of the Dene land claims negotiations in the Northwest Territories.

The failure resulted from the government's refusal to proceed with the land claims settlement unless the Dene agreed to the extinguishment of their aboriginal title. With the collapse of a comprehensive agreement the government then proceeded to negotiate with those tribes which were willing to abandon aboriginal rights and title in exchange for a land claims settlement.

The minister responsible for Canada's race laws and his staff at Indian Affairs are treating aboriginal people with the same colonialist Machiavellian divide and conquer approach that has been the hallmark of Canada's relations with its aboriginal people over the last 200 years.

In fact the minister was asked a question in the House today about the Algonquin land claims proposal. The minister led the questioner to believe that his department had funded land claims research for the Algonquin people to the tune of over $.5 million. In fact that funding went to a single band and the research was rejected by all but two of the Algonquin bands. In spite of that the government refuses to fund a joint research proposal that is supported by the majority of the Algonquin people. It is another example of the ministry's divide and conquer tactics.

The final example is the Lubicon nation which has attempted to bargain in good faith with the government for many years, in each case to be met with stonewalling and subversion of the talks. In fact the government even established a new band, the Woodland Cree and has settled its claims on the government's terms over part of the Lubicon lands. Now we hear that the government is intriguing among the Lubicon Lake people to establish another band which will claim another part of Lubicon lands, and again settle on the government's terms.

• (1700)

I do not blame the aboriginal people for their willingness to abandon some of their rights and title in order to achieve a land claim settlement. Many of these people are desperate and feel forced to sacrifice their rights in order to obtain the land and resource base they need to provide the basic necessities for their people. I blame the minister responsible for Canada's race laws and his department, who continue to use the most cynical, deceitful, divide and conquer tactics to deprive our

aboriginal people of rights which are supposedly protected in the Canadian Constitution.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I welcome this opportunity to respond to the hon. member for Comox—Alberni.

The recent approval by the Gwitch'in of their comprehensive land claim agreement is proof of progress, and progress in the right direction. The Gwitch'in claim was under negotiation as part of the Dene-Metis claim for over 10 years before it became a regional claim in November of last year.

With the decision of the Dene and Chief Bill Erasmus not to proceed with ratification, the Government of Canada agreed to proceed on a regional basis with those groups which were pressing us to finalize their claim settlements. In the Gwitch'in ratification vote, 91 per cent of eligible voters voted; 94 per cent of those voting approved the agreement. This is truly a remarkable show of determination by this particular group and we prefer to negotiate an agreement and then abide by the decision the Indian people themselves make.

Under the agreement, the Gwitch'in will own 8,658 square miles of land, including surface rights for 27 per cent. They will receive a non-taxable payment of $75 million. Other benefits will include guaranteed wildlife harvesting rights and guaranteed representation of public-government boards to manage the wildlife, land and water and the environmental reviews.

This agreement, embraced almost unanimously by the Gwitch'in, is based upon the Dene-Metis agreement initialled in April of 1990. The Dene-Metis could also have voted on the agreement, but instead in July 1990 their joint assembly decided not to allow a vote on it. The Gwitch'in walked out of the assembly before the vote and the Sahtu region abstained.

This agreement is a clear indication of the government's commitment to accelerate the settlement on aboriginal claims and to adopt new and innovative approaches to their resolution.

In conclusion, the Gwitch'in agreed to exchange their unwritten aboriginal rights for written treaty rights. The president of the Gwitch'in tribal council himself said; "We don't feel we are extinguishing anything."

HEALTH

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, on October 4, I requested the Minister of National Health and Welfare to underline his department's policy on the sleeping drug Triazolan, better known by the brand name Halcion. This drug is the most popular sedative in Canada and has been prescribed to some 34 million people in this country since 1978.

My question to the minister was simple: Since the minister has indicated his department has agreed to move very quickly, within hours, if just cause were found to ban it in Canada, can the minister tell the House today—that was on October 4—what decision has he made?

The reason behind the question was a growing suspicion of the capability of the Health Protection Branch because I am afraid it is not equipped to anticipate dangers to the public health. This question was of a vein that had been pursued by me on other occasions, on other matters including the Meme breast implant, the heart drug Betaloc and with Sudafed and now with Triazolan.

I want to be reassured and I want Canadians to be reassured that the Health Protection Branch has the fortitude and power to act quickly, concisely and always in the best interests of Canadians when threats arise. I want Canadians to be reassured that the government is giving the Health Protection Branch enough financial and human resources to do its job.

I believe the threat from Halcion or triazolan does not come purely from the drug itself which is apparently under extensive clinical trials in order to have its use approved. I think the problem rises from societal and administrative problems which when coupled result in the over-prescription of this drug to thousands.

The monograph on the drug states that the dosage should be discontinued after 21 consecutive days despite the fact that many patients have been on the drug for months and sometimes even years.

I can understand how side effects which typically affect about 5 per cent of the triazolan users can cause more adverse responses if the drug is not used properly. It is just such an abuse that should be regulated and monitored by the Health Protection Branch. Within the HPD there is a separate area called the Adverse Drug Reac-

tion Reporting Program. This body should been given adequate resources to do its job.

Britain and the United States have shown concern about this drug and I would believe that the minister should not take weeks to make a decision on the safety of a drug affecting millions in our country.

If agencies like the Health Protection Branch and the Adverse Drug Reaction Reporting Program were given a new mandate for protection and better funding, it follows they could better protect and serve Canadians.

I believe that Canadians should closely watch and monitor Canadians. Is there abuse of this sleeping drug in our society? Is it being commonly over-prescribed to patients who are female, aged and in long-term care facilities? If so, why? Why has the Health Protection Branch not reacted sooner? I hope today the minister can respond to my concerns with more than the usual: "We have struck a committee of venerable experts to study the issue".

I hope the minister will have a reply today, right now, on whether the decision on triazolan's safety has been decided and whether a directive to this effect has been sent to consumers, to pharmacies and to other health care providers.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am pleased to respond to my colleague's question.

On October 2, 1991, the Medicines Control Agency, which is the drug regulatory authority in the United Kingdom, suspended the product licence for Halcion or triazolan for a three month period.

This action was based upon a new analysis of safety data which the U.K. authorities interpreted as suggesting that risks associated with triazolan outweighed its benefits. Some countries, namely Finland, Norway, Jamaica, Bermuda and Argentina followed suit.

Officials of Health and Welfare Canada immediately contacted both the U.K. officials to request the data upon which they had based their decision and Upjohn Canada to request all the information that the company had provided to the U.K. department.

The department officials also met with senior officials from Upjohn on October 7, 1991. The conclusion drawn by Health and Welfare Canada was that, based on a preliminary assessment, there was no evidence of new risks at the recommended doses.

A more detailed assessment is being done based on documentation obtained from the U.K. regulatory authorities as well as from the Upjohn people. We hope to have that information within the next short period of time.

I would like to say that a similar position was taken by the U.S., by Sweden and by the committee for proprietary medicinal products at a meeting in Brussels on October 14 to October 16.

The CPMP made recommendations and its recommendations with regard to information are already in place in Canada. These include labelling information, informing physicians and consumers that triazolan should not be used longer than the 21 day period consecutively and that the lowest effective dose should be used, particularly with our elderly people.

I just have to say once more that with a panel of experts we will be reviewing this and we will come forward within a short period of time.

• (1710)

FISHERIES

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, once again I am a bit like my colleague from Halifax. I have been on my feet 14 times since this House resumed in September and mostly on the subject of control of the cod stocks in Newfoundland, the subject that is making fishermen angry. It is making them demoralized and it is causing a lot of anger in our caucus.

When you stand up and talk about it, it sounds reasonably simple, but somehow we cannot seem to be able to get the message across to the government or to anybody else that despite all the rules and regulations, we are the only country in the world that I am aware of that gives away to foreigners and allows them to take, through whatever means, the very resources upon which people depend for their livelihood.

Just a quick background on this so that we are all talking from the same text if you like. In 1978, a year after we established a 200-mile zone, the Northwest Atlantic Fisheries Organization which was established as a result of this, agreed that Canada would manage the

cod stocks that I am speaking about essentially in 2J,3K–L, which are NAFO designated areas essentially off the north and east cost of of Newfoundland and Labrador, even though it was recognized as a trans-boundary stock, on the grounds that only a very small part of the stock was normally present outside the 200-mile limit and that for only a very small part of the year and also because of the vital importance of the stock to the coastal state.

That existed in 1978, but somehow in the last few years things have changed. Right now, NAFO does the scientific assessment of the 2J,3K–L stocks and, furthermore, it continues to establish quotas to be fished outside the 200-mile limit.

NAFO is toothless as it is devoid of teeth. Its moral authority counts for less than nothing in this world of dog eat dog and nations of the European community, for example, may through the simple expedient of filing a protest against the total allowable catch, which I will call TAC, set by NAFO free themselves from any obligation to be bound by it.

In practice in particular such nations as Spain and Portugal habitually ignore scientific advice. They flaunt their defiance of controversial strategies and they limit their catches only by the capacity of their fishing fleets.

Mr. Speaker, some examples: in 1986 Canada established a northern cod TAC of 266,000 tonnes. NAFO proposed the TAC for the European community countries of 36,000 tonnes to be taken from the nose and the tail of the bank in which these countries reported landings were approximately 100,000 tonnes. Can you imagine?

Let me take you up to last year. In 1990 the TAC was 190,000 tonnes. The NAFO quota was set at 15,377. They allocated themselves unilaterally 59,400 and they took 97,750. In other words, they took the same last year when the total allowable catch was 190,000 tonnes as they took back in 1986 when the TAC was 20 per cent or 30 per cent larger.

In the context of international irresponsibility this amounts, in the eyes of Newfoundlanders and I hope Canadians, to outright piracy. The mandate of the Canadian Minister of Fisheries and Oceans cannot be properly executed. There is only one way it can be done, and this recommendation was made by the Independent Review of the State of the Northern Cod Stocks back in February last year. It is not just the member for Bonavista—Trinity—Conception. I am quoting what is considered to be a very authoritative document. Its recommendation reads, and I will quote it: "Ideally we believe that control should be exercised by a single authority and that authority should be Canada".

In conclusion, turning to the example of Iceland back in 1975, when other countries including Great Britain decided to take them on Icelanders declared that this was a resource that was essential to their livelihood. They brought out their gunboats to substantiate their belief in this and the fact that they would take control of their own resources. I wish to heaven's name we would consider doing the same thing.

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the hon. member has alleged that foreign vessels overfishing in the northwest Atlantic take almost as much fish as Canadians receive in allocations. He has also implied that the government is not serious about proper conservation of fish and the viability of the Atlantic fishing industry.

While I appreciate the member's sincerity, both of these are far from correct. Groundfishing quotas allocated to Canadian fishermen in 1991 totalled 816 tonnes, including some 49,000 tonnes of groundfish stocks managed by NAFO. This total of Canadian quotas which are fished by Canadians mainly inside the Canadian 200-mile zone is about four times greater than even the highest estimate of what foreign vessels are catching outside 200 miles. The problem of foreign overfishing outside 200 miles is real and serious but should not be blown into fantasy proportions.

The other members of NAFO, including the European Community, received groundfish allocations from NAFO totalling some 81,000 tonnes in 1991. The foreign vessels fish their NAFO quotas mostly outside the Canadian fishing zone, on the Grand Banks and on the Flemish Cap. These are NAFO-managed stocks.

The problem of foreign overfishing does not occur inside Canada's 200-mile zone. It does not occur because of the quotas set by NAFO outside 200 miles. The overfishing problems occurs only when vessels from several countries choose to fish outside 200 miles in excess of the quotas that are established by NAFO.

I am advised that two members of the European Community, Spain and Portugal, as the hon. member has mentioned, are the main overfishing nations and two countries that are not members of NAFO, Panama and Korea, are also major causes of the overfishing problem.

The Government of Canada is very concerned about the overfishing that is taking place in the northwest Atlantic outside the Canadian 200-mile limit and the consequences of this for Atlantic fishing communities, especially in Newfoundland. We have conducted a comprehensive international campaign to eliminate foreign overfishing and are making progress.

The government is making sure people know what is happening in the northwest Atlantic and the consequences of overfishing. Federal and provincial parliamentarians of all parties, technical experts and fishing industry representatives have participated in making this information available.

Canada has also undertaken a legal initiative, including work within the United Nations, to seek a legal basis for international control of high seas fisheries and for recognition of the special rights and interests of coastal states such as Canada in management and conservation of straddling stocks. Agreement on measures needed to control high seas fisheries is a priority objective for Canada at the United Nations Conference on the Environment and Development.

We have not yet achieved our goals, as the member points out. We know that foreign vessels are still overfishing outside Canada's fishing zone. We will continue our efforts. The government does not intend to jeopardize future success by permitting Canadian fishermen to overfish, whether inside or outside our zone. The remedy for the fishery failure that occurred this year—

The Acting Speaker (Mr. DeBlois): The time is over.

[*Translation*]

The motion that the House do now adjourn is deemed to have been adopted. This House therefore stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 5.17 p.m.

HOUSE OF COMMONS

Tuesday, October 29, 1991

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

THE ECONOMY

PROSPERITY THROUGH COMPETITIVENESS

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, Canadians today are perplexed and confused.

On the one hand, they read in the papers that a recent United Nations study has ranked Canada as having the second highest quality of life in the world. They also know that we have the second highest per capita income. They also hear on the news that the World Economic Forum in Geneva has placed Canada fifth among the countries of the world in global competitiveness. This all sounds like good news and it is.

But in too many cases those same Canadians are discovering from their own personal experience that all is not so well.

The parent whose child dropped out of high school last week may be disappointed and knowing that 30 per cent of Canadian children drop out before completing high school—one of the highest rates in the world—is no consolation. Knowing that 62 per cent of new jobs to be created in the next 10 years will require at least a high school education would really upset them.

Which of these views is right? Are we doing well or are we in trouble?

The answer, Mr. Speaker, is that both views are right.

There is no question that over the last 124 years, Canadians together have built a strong, dynamic and prosperous country. It shows in our standard of living, our health systems, our export performance and in many other ways.

That is only one part of the story, a snapshot assessment in an evolving world.

The global environment is changing before our very eyes and our productivity, our ability to produce efficiently as a nation is just not keeping pace. It is not growing as fast as it used to and is not gaining as fast as our competitors. This is the other side of the story which shows up in its own more negative way.

[*Translation*]

This is the other side of the story, the negative side.

The young scientist just out of university is angry and frustrated that he cannot find a job. Like thousands of our young people, he is talented and has worked hard. But with only four Canadian manufacturing firms out of 100 doing any research and development, his talent and hard work may not find the outlet they deserve.

[*English*]

The young factory worker is worried as she sees her friends laid off and her own shifts shortened. She does not want to go on unemployment insurance but she is probably working for one of those 50 per cent-plus of Canadian manufacturers using not one of the 22 leading manufacturing technologies essential to success in the

1990s. As their productivity falls behind, they lose orders and she and her friends lose their jobs.

The young couple about to have their first child are not quite sure why they are having trouble making ends meet on two incomes when their parents lived comfortably on one. The reason is quite simply that their companies cannot afford to pay them more because the companies' productivity will not allow them to do so.

• (1010)

Productivity is the heart of the issue and is essential to our prosperity. It supports our way of life, it puts food on our tables, schools and hospitals in our communities, roads across our great country and pay cheques in our pockets.

[*Translation*]

But in order to be more productive, we first have to upgrade every component of our economy. And in order to do that, we have to learn to innovate, to work smarter and faster, instead of harder and longer.

[*English*]

That is why we are here today. We must find a way as a nation to improve our productivity. The old ways which served us so well are no longer working. We must change the way we think, the way we work and the way we work together as a country and as a people.

To be sure, some companies are doing what needs to be done. They are ploughing back their profits into productive new investment. They are spending on research and development and introducing sophisticated new equipment. Many individuals are not only seeking but actually making new opportunities for themselves by upgrading their skills and exploring new challenges. In a word they are adapting to the changing world around them.

But too many of us are simply not changing far enough or fast enough to keep up with the global pace-setters for much longer. The underlying cause of this state of affairs is far beyond the capacity of government, any government, to turn around on its own.

The Speech from the Throne in May put on record the government's intention to invite all Canadians "to participate in fashioning a new agenda for prosperity", to tell us what we must change in order to compete and win in the world. Over the summer, the initial response of Canadians has been clear: Take action but consult us first.

For these reasons I am pleased to inform the House that the government is today instituting a comprehensive consultation process. It will be managed by a national steering committee and designed to elicit from all sectors of Canadian society the solutions to the challenges now confronting us.

[*Translation*]

I am particularly delighted to announce that two very distinguished Canadians, Mr. David Robert McCamus and Mme Marie-Josée Drouin, have agreed to act as co-chairpersons of the Steering Committee in its tasks of managing the public consultations and developing a plan of action.

The Steering Group will be made up of representatives from the business, academic, labour and scientific communities, as well as leading economic and social organizations.

[*English*]

The group will consult communities across the country as well as provincial governments and other national organizations. In addition, it will benefit from specific industry discussions conducted by cabinet ministers.

Mr. Speaker, I am also pleased to table a discussion paper entitled *Prosperity Through Competitiveness*. This, together with a companion paper that my colleague the Minister of Employment and Immigration will be tabling in a few minutes, will serve as a focus for these consultations.

Together, the papers identify areas in which we must improve so that we can compete effectively, efficiently and profitably. Each area—learning, science and technology, investment, domestic markets and trade—is important. None of the components of the prosperity initiative is revolutionary. But they are the nuts and bolts of the country's economy.

Because time is of the essence, we have asked the steering group to complete its consultations by mid next year and to produce its final action plan by the end of next summer.

The change that is needed must not be a quick fix. The competitive challenge can only be met by systemic changes and not piecemeal changes; by sustained, not sporadic commitment to compete with the best in the world.

Canadians may have to change the way we think—all of us, from cabinet maker to cabinet minister—if we can ever hope to change the way we act. Because how we act is the real test of how productive we are going to be. We cannot sustain our standard of living unless we strengthen our ability to compete.

Whatever plan of action results from this process we are launching today, it will be important that as a country we strike while the iron is hot. We must act on our plan quickly and collectively while we are still able to do so from a position of relative strength and prosperity, with the capacity to generate wealth to support the changes that are needed.

It is time for us to maximize our use of something we have in abundance, our ingenuity. Millions of Canadians can still remember when Canadians had the best hockey teams in the world. Year in and year out, Canadians took for granted that their teams would come home with lopsided victories. Then, in the 1960s, someone from 11,000 kilometres away figured out how to beat us. They changed the way our game was played. They outskated, outshot and outchecked us. We were still playing good hockey, but they were playing better. They beat us and kept beating us until we learned how to innovate, how to adapt, how to upgrade and how to outsmart them. Now we are winning again because we have changed. We are winning again, but not all the time because competition is tougher today than it was in the 1960s.

We have built our team back to being among the best and can remain among the best if we continue to innovate and improve.

[*Translation*]

As a country, we are like our hockey team. We spent our first one hundred years living off our resources, and we beat the competition easily. For the next twenty years, we lived off our credit and found we were slipping. Now we have to demonstrate that we can recover our position off the ice as well as on it.

[*English*]

Our history tells us that we can come back. Individuals and companies are showing every day that we can do it by innovating and upgrading. Now we have to do the same as a country. Whenever we put our minds to a problem, we have licked it. I said this morning that we have something to be concerned about, and we have. However, I am reassured by the knowledge that when Canadians roll up their sleeves, the job gets done. I know we can do it.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, I have listened with attention to the minister's introduction of his long-delayed consultation paper *Prosperity through Competitiveness*. That paper was promised to the people of Canada last May in the Speech from the Throne. Here we are more than six months later finally getting a paper.

The problem with the paper is not merely that it has been so long delayed and has not fulfilled the promise made by the government so many months ago, but rather that the paper is lacking in substance. The problem is that this paper offers Canadians no solutions, no directions and no proposals about how we resolve our serious problems of international competitiveness in Canada.

The minister knows perfectly well that after all these months of preparation, to bring forward such a paper is really an admission on the part of the government of its own failure to devise, develop and identify solutions to the problems which have confronted Canadians throughout this government's mandate. I do not speak only of the last three years or two years. I am speaking of the time since 1984 when this government first came to office.

This government at that time inherited a burgeoning economy left by the previous government. Look at the statistics. Anyone will be able to identify for themselves quite readily that in 1984 growth was well in place and benefiting all Canadians. What have we today after its seven or eight years in office? We have a paper from this government that says: "We don't know what to do. We are now going to go out on the road for a year's consultation with Canadians about what they think should be done". The government offers a paper which under various headings such as learning, innovation, financing, and domestic market regulation asks merely vague questions. Vague is a kind word. The questions are barely formulated, and the answers are certainly not offered. There are no options provided. There is not even any indication that after seven years this government has any idea of what to do about Canada's international competitiveness.

• (1020)

Let me say to you, Mr. Speaker, that the real failure of this government in its economic policies over the past seven years is not what it has done, it is what it has failed to do.

You know, Mr. Speaker, as well as I do that the macroeconomic or what the economists would call a macroeconomic environment is essential if Canada is going to compete effectively abroad. But what have we got in Canada? We have not had the government providing the leadership or offering the macroeconomic circumstances which can enable Canadians to compete effectively abroad.

We have high interest rates and a continuing high debt. The debt is at least as high as it was last year and with every indication it will continue at a very high level next year. We have a high Canadian dollar resulting from this government's failure to address its spending priorities and its failure to achieve lower interest rates so as to enable Canadians to compete effectively abroad.

This government has failed on the macro level and now it turns to what we might call the micro level which deals with specific instances of where Canadians know perfectly well we must take action. We must take action on training and retraining. We must take action on how we direct our savings toward productive investment. We must take action on innovation within our economy and the vital role to be played by science, technology, research and development. What do we get instead? We get a series of questions. We know the questions. All Canadians know the questions. We have known these questions for six and seven years.

What about the creation within Canada of a true economic union within our own country? This is an essential basis for our further progress in international competition.

But only now in its constitutional proposals has the government come forward with a few vague ideas. It may be vague on the one side, and highly convoluted in some detail on the other, about what it is going to do to create true economic union within our country.

The foundations are lacking in this paper to give Canadians any indication of how we might best proceed. The leadership is lacking. Let me turn for a moment to international trade. The paper ends with a couple of vague questions. Should we trade more? That is the sort of question posed.

I think most Canadians would probably agree, yes, we should trade more. So the government then asks the question: "How do we do it?"

Clearly the government has no clear idea itself of how to do it. The government is right when it says: "Maybe we spent a little too much time on continentalism. Maybe we spent a little too much time on the free trade agreement and now on an agreement with Mexico". This, by any stretch of the imagination, can hardly be given Canadian priority. It said "Maybe we spent too much time on these issues and maybe we should be looking at Asia and the new Europe of 1992".

It has taken seven years for the government to think that one through. It does not even offer that as a nostrum. It simply says: "What do you think, Canada? Should we do this? Should we look at this?"

The real failure of this government, as I said, is what it has not done over the past seven years. It has failed to create an economic environment of spending restraint, taxation restraint and of creating lower interest rates and a stable dollar so that Canadian exporters can progress and expand at home and abroad in a way that creates the jobs that Canadians so obviously need. We do not have any comprehensive system of adjustment programs. The government now, at this late date, is saying that maybe we should have some comprehensive adjustment programs.

The decision on the free trade agreement was taken three or four years ago.

We are only now saying to ourselves: "Maybe we should have a little more training and retraining". What has this government really done about removing the trade barriers within our own country?

Canadians have known. They are not stupid people. They have known that those barriers should come down. They were in the constitutional proposals of the previous government, and it was due to the failure of the provinces to recognize their importance that we did not make any progress at that time. Now seven and eight years later we are saying: "Oh well, maybe we should make a little progress there".

"Let us look beyond the continent of North America", it says. We have been telling the government for years that it should be looking beyond the continent of North America. Its obsession with continentalism has led it to a blindness to the opportunities outside North America for Canadian exporters and Canadian investors.

Finally, it is the failure of this government to link its social policies and economic policies in an effective manner so as to ensure that the undeniable costs of the emerging global economy are spread equitably among our people, as are the benefits, when we come to achieve the real gains from the emerging global economy of which I have spoken.

This paper fails in that it offers Canadians only a series of vague questions and one more year of discussion before we can possibly hope to see any solutions emerging. My colleague from Newfoundland has a word or two to add. I would suggest that I now turn this over to him.

Some hon. members: Hear, hear.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, last week I met with groups of workers in Windsor who have lost their jobs in the last 18 months.

There were three different groups totalling perhaps 225 people all out of work from plant shutdowns, all taking retraining of various sorts to try to get back into the work force. I want to quote from one of those workers.

"I came to this country 28 years ago. I worked 11 years at Bendix company. It closed down in 1981. I lost those eleven years of my life. I got a job at Windsor Bumper and it closed too. I came here for a better future, but now I am in the same position I was 28 years ago, with no job".

"What kind of future can I give my kids if this government does not change and give them a better future?" That is what this debate is about. It concerns people: men and women who have lost their jobs and their children who share that cost.

The government has brought forth more paper, all sorts of paper, more fancy phrases and more plans for consultation. Of course, we are glad to see the government taking seriously some of the things that it has so long neglected, like better training and more research and development.

Let us not permit the pretence to pass. This government is responsible for those workers whose plants have been closed; extreme interest rates, 6 per cent above the U.S. level, a value of the dollar up 25 per cent since 1987, a trade deal with the United States that was so unfair it has cost at least 250,000 permanent jobs. It is responsible for tax breaks to the rich and the GST for the rest of Canadians. All this has devastated our economy.

• (1030)

[*Translation*]

Yes, Canadians are perplexed and confused.

Unemployment is increasing. More and more people have to swallow their pride and survive the best they can on meagre welfare payments, and we have the GST.

In Quebec, for instance, medicare is on the way to being privatized because the government is cutting transfer payments to the provinces, and so on.

Until now, the Tory government blamed the deficit for the additional tax burden. I am referring to the tax burden on Canadians who pay their taxes, not the corporations that get off scot-free with their expense accounts for restaurants and all kinds of tax deductions.

Now that people are increasingly perplexed, because they are beginning to understand that all their problems are due to the government's incompetence, the Tories turn around and serve up a new slogan: Competitiveness. They want to cover up their failures with nice speeches.

[*English*]

Remember, I ask people across this country, even the business oriented Conference Board of Canada has labelled this the made-in-Canada recession, made by the ministers and the government sitting across from us in this House of Commons.

What we have here are not the prosperity papers. These are the propaganda papers. They are meant to divert Canadians from the real issues. They are meant to say that the basic Tory thrust is just fine; here are the restricted issue areas where we all have to concentrate and work together.

I have to ask how this minister can get up and call for Canadians to co-operate when this same minister has kicked those Canadians in the teeth for the last seven years with his policies.

New Democrats believe in business—labour co-operation but aimed at full employment which these papers never mentioned. New Democrats believe the tax system needs reviewing to make it fairer, like cutting out loopholes for the rich, cutting out benefits for the powerful and doing away with the job destroying GST.

New Democrats want better training in this country but not at the expense of a much harsher UIC system. Just throwing workers on to welfare, that is what the Conservatives have given us. New Democrats want more consultation but on the real questions of the GST; the trade deal, whether it should extend to Mexico; the value of the dollar; interest rate policies; whether inflation should be our ultimate concern when 1.4 million Canadians are unemployed.

I am pleased to announce the first five New Democrat consultations which will take place in Hamilton, Guelph, London, Kingston and Sarnia between November 21 and December 17 of this year.

We can build the economy that we want and need for our people, but first we have to get rid of this government which we do not want. That means recognizing these propaganda papers as the first shot in the Conservative re-election campaign. As the $20 million is spent on this propaganda push, this diversion from the real issues, let every taxpayer recognize that their money is paying for this Tory pre-election campaign.

* * *

[*Translation*]

PROSPERITY

TABLING OF DOCUMENT ENTITLED "LEARNING WELL-LIVING WELL"

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am pleased to table today, in both official languages, a discussion paper supporting the government's Prosperity initiative and entitled "Learning Well—Living Well".

Parliament's most important function in a democratic society like ours, even before resolving conflicting views or seeking consensus, is first to inform. To inform ourselves, yes, and also to inform Canadians. When the objective is to inform Canadians of a threat to the continued prosperity, and ultimately the unity, of the nation—even if the message is unsettling and unwelcome at first to most—then this has to be Parliament's most important calling, Mr. Speaker, and its finest hour. This, Mr. Speaker, is what we are doing today—informing the Canadian people of an intolerable situation.

The government is putting forward to this House and to all Canadians a well-reasoned and thoughtful statement on a major international challenge that cannot be ignored. This is the competitive threat to the long-term security and prosperity of all Canadians.

The only way for Canadians to meet this threat is to develop our most valuable national asset: people. It is not Canada's natural resources but our human resources—our brain power—that count. It is ideas, knowledge, and skills that will be our winning ticket.

Our major international competitors are doing a better job than we are on this score, Mr. Speaker. The gap between our performance and theirs is widening. It will widen even further, unless we are determined to stop it and to take effective action now. We have one of the highest high-school dropout rates in the world: 30 per cent to Japan's 2 per cent. We face a critical shortage of scientists and engineers: Japan graduates nearly nine times as many as we do. People will say, "Japan again!"

Even Mexico, a developing country, graduates four times as many. Of course, these countries have a much bigger poopulation than Canada, Mr. Speaker, but I am talking on a *per capita* basis. More statistics? We are ranked 11th in the responsiveness of our school system to meet the demands of global competition. We rank 20th out of 24 OECD member countries in the effectiveness of our training programs.

• (1040)

Canadian companies spend proportionately only half of what American companies spend on training, one fifth of what the Japanese spend and only one eighth of what the Germans spend. Less than 50 per cent of adult Canadians have completed high school—that is, 12 years of schooling. Yet we know that 63 per cent of all jobs in the coming decade will require at least a high school certificate and 40 per cent will require at least 16 years of schooling.

Tragically, three out of ten adult Canadians cannot read properly and four out of ten cannot do simple arithmetic. Canada has one of the worst levels of literacy and numeracy among our competitors.

[*English*]

The solution to this widening gap lies in the minds and actions of individual Canadians. Canadians must want to value far more learning through life, that is develop a learning and training culture. This means that Canadian firms, especially small and medium sized ones, would quadruple and more the time and resources devoted to training and create a training culture within their firms. Life-long learning can become as important to us as it is to our international competitors: a life passion for gaining new knowledge and skills to compete, yes, but also to grow.

Right now as a people we do not have this commitment. This is the unfortunate reality. This is the central challenge every Canadian should see and confront.

[*Translation*]

If we do not, Mr. Speaker, in the coming years, we will lose high-skill, high-wage jobs, the security of all our jobs, and face an inevitable decline in our living standard. The threat will not diminish, but only grow!

This is a call to Canadians first and foremost to perceive fully the nature of the challenge—to dialogue and learn anew, and then in partnership, devise a response to this crisis. Let us be crystal-clear about it: the federal government has a responsibility to stimulate a national dialogue on Canada's economic future. For those who are concerned that the federal government will use this as a pretext to intrude on provincial jurisdiction, I want to say emphatically that this is not the case, Mr. Speaker. It would not be permitted by the Constitution, and in any case, it would make no sense. No one should fear that the people of Canada, in every province and every region, become better informed and talk seriously among themselves.

That is what we propose and that is what Canadians should expect of their federal government. If the federal government, knowing the facts, failed to inform Canadians, it would be a terrible abdication of ledership. Surely we are not so insecure and lacking in self-assurance to be concerned with the national government informing Canadians and encouraging them to talk seriously among themselves.

The Japanese or Germans or Italians are not going to put out press releases or prepare serious discussion papers for Canadians to alert us to our lower levels of performance.

An hon. member: Of course not!

Mr. Valcourt: They and other nations will send their message by cancelling contracts.

[*English*]

Canadian firms will get the pink slip when they submit their bids or lose the opportunity to bid at all. The door to the international marketplace will be slammed in our face. Then the message to Canadians will have arrived a bit too late. We are putting learning at the front of the national agenda and to fail to do so knowing what we know would be totally irresponsible.

We should all celebrate that the results of this dialogue that we are starting today will be that Canadians will become more empowered. Individuals and all institutions in Canada, in partnership with each other and government, will find the answers. We want and welcome a public debate on Canada's economic future. Only then can we pave the way for a consensus to be forged on how to compete and to win against the best in the world.

Today in Canada until the throne speech put forward the challenge on learning and made learning part of the national agenda and consciousness, few Canadians placed the priority where it belongs. Now Canadians have a basis to consider launching themselves on a new journey. The rewards for each will be great if we put ourselves and our children firmly and for all time on this new path. Prosperity and personal growth will be the outcome as we confidently take on the world.

Business as usual is not an option. To fail to respond to this challenge ensures our economic decline. We would be left behind as other nations redouble their efforts to outperform and outcompete us.

We will rob our lives and our nation of the enormous potential that is ours.

[*Translation*]

The Prime Minister, the Right Hon. Brian Mulroney, stated forcefully at the First Ministers' Conference in 1989 that we must launch a collective study of our education system, its relationship to Canadian competitiveness and its relevance to the international challenges of the year 2000.

His expression of leadership was positively received by all provincial premiers not as an attempt by the federal government to intrude into provincial jurisdiction but as a recognition that this truly was an issue of interest and importance to all Canadians.

I trust, Mr. Speaker, that we can all have the self–assurance and confidence to consider this paper and input from any other source objectively and start a national dialogue.

All hon. members and all Canadians should consider this challenge very carefully.

[*English*]

In doing so every member of this House has the opportunity, if not the duty, to do the right and responsible thing, to boldly assert leadership and help Canadians realize their full potential and secure their prosperity into the 21st century.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, I suspect that the emotion I feel right now is not different from that of other Canadians who have tuned into this speech and presentation by two ministers, one on prosperity, one on the need for training, with a sense of hope.

I got up this morning at 7 a.m. and came down to Parliament Hill for an eight o'clock briefing behind closed doors to be given some background information as the opposition employment critic with a sense of hope. I come from a riding that suffers tragically high unemployment, among the highest in the country. I come from a constituency where every family has some members, and in many cases a majority of members, who have left not only home but their province in desperate search for work. I come from a part of the country where we need more training. We need to give people the skills that are required to be competitive in the national economy and in the increasing global economy.

• (1050)

All I feel having heard the speech of the Minister for International Trade and the Minister of Employment is that I have been the victim of a cruel hoax.

The Government of Canada has not laid before the people of Canada today propositions, proposals, dealing with plans to enhance our prosperity or plans to give Canadians the skills they need, the tools they need to contribute. No, there is nothing specific. It has given us a report that tells us there is a crisis. After seven years of government, almost eight years, these ministers stand up today and with a sense of pride and with great alarm, as if they discovered it just yesterday, they ask us, did we know after nearly eight years of government, do we Canadians know.

They want us to know. They want us to be alarmed because they just found out their alarm. At what? That we have one of the highest high school drop–out rates in the world after nearly eight years of this government, that we face a critical shortage of scientists and engineers after nearly eights years of this government, that we are ranked eleventh in responsiveness of our school system, that we are ranked twentieth out of twenty–four in the effectiveness of our training programs world–wide, that Canadians companies spend only one–half, 50 per cent as much as American companies on training, and that less than 50 per cent of current adults have completed high school, that only three out of ten adults in Canada read properly.

This is the report card of the government on itself after eight years. It is a report card of failure. It is an admission of failure after eight years.

What are the facts? It takes tremendous nerve and a small degree of backbone. It takes, as we say in Newfoundland, a lot of guff. As we say in Newfoundland, you bought the face of a robber's horse as it departs the scene of the crime to stand in the House and say, as this minister has just said, and I wrote it down: "We are going to put education at the front of the national agenda". We, this government, this Mulroney administration that has been in power nearly eight years, is telling us today, October 29, 1991: "We are going to put education at the front of the national agenda".

What has this government done in the area of education? It has been in power now going on eight years, what has it done? It has reduced contributions to post-secondary education funding since 1986. Between 1986 and 1994, the formula calls for a $9.5 billion cut for education.

Today it wants us to believe that it is going to put education at the front of the national agenda. That takes nerve. There is a better word than that.

This is the government that has frozen Canada student loans at the same level they were at when it came into power in 1984. Most recently, it has introduced a 3 per cent tax applicable for the first time this year on student loans. Imagine, Mr. Speaker, the student who is wealthy, no tax; the student who is among the poorest in Canada who is required to get a loan now pays a tax on his loan. The bigger the loan, the bigger the tax.

This is the government that has the nerve to tell us today that it is putting education at the forefront of the national agenda, taxing education, taxing student loans. This is the government that applied the GST to books and to other student aids, brought in the GST and did not exempt education, but applied it. Yes, tuition fees are exempt, but books and other learning aids are not exempt.

The government has announced its large campaign to deal with functional illiteracy. What did it announce? It announced that roughly 5 million Canadians are functionally illiterate in this country. It has announced a $20 million program for five years to combat illiteracy. It just told us, in its statement, that 3 out of 10 people are functionally illiterate. The government is going to spend $4.40 per illiterate Canadian annually. It is slightly more than one penny per day per functionally illiterate Canadian.

The government has just moved education to the front of the national agenda and 1.3 pennies per day per functionally illiterate Canadian will be spent in the great campaign that this government has launched to deal with illiteracy.

This government says it is going to consult. It says that this is a real effort to consult. It wants business and labour and government working together in harmony. If we did not know better we would think today's announcement was the latest script for the Smurfs television program, it has such childlike delight in its simplicity and, might I add, phoniness.

The minister who just spoke, the Minister of Employment and Immigration, announced on January 14, 1991 the creation of the Canadian Labour Force Development Board. Here is the minister's press release and I want to quote him: "The Canadian Labour Force Development Board will play a key role in developing a training culture and a commitment to training excellence. It will advise on national training and labour-market adjustment priorities." It goes on for several more paragraphs to talk about this board and its position at the key, at the nerve centre of training and development in Canada. Its role is to bring together all the players in the community and to advise government.

Yesterday, I spoke to one of the co-chairs of that board. He told me something I find absolutely incredible and astonishing. The co-chairman told me that they had not been consulted on the minister's discussion paper on training released today. That is what he told me. He told me further that the board would not be participating in the consultations once the paper was released. That is what the co-chairman, Gerard, told me yesterday. He told me that the board will not play any role in this consultation process.

What is the reality? I want Canadians to know the reality. The government has announced in an initiative today—mark it down, October 29, 1991—that is at least a $20 million initiative. We got that in the briefing this morning that I came to. There is $2.5 million so far estimated to be spent on community-based town hall consultations, $7.5 million so far for a secretariat for this new prosperity training committee, $5 million estimated so far—listen members opposite—for advertising, for communications for this secretariat, and an undetermined amount of money to be used for giving contracts to consulting agencies to write papers for the secretariat.

Now we are up to $20 million and that is the day it was launched. It will be $25 million or $30 million or $35 million or $40 million to be spent on this so-called effort to put education at the front of the national agenda.

Let us be honest. There is not one single piece of data, there is not one fact spoken today by the minister of employment or by the minister for trade that we were not already aware of. You can find any one of 25 reports by Commons committees, by various departments of the government, by the Conference Board of Canada. I participated in a report in 1981 that looked at a lot of

these problems emerging which have since been grandly exacerbated by this government. There is nothing new.

Is the government today in the business of trying to address the problems of prosperity or the need for prosperity? Is it really in the business of trying to address a government that has cut arbitrarily transfer funds, given no money for illiteracy, piled taxes on poor students? Is it really in the business of promoting education? Or is this government using $20 million and a third party to resurrect a dying government, led by a leader who no longer wants to be leader? Imagine, a government led by a Prime Minister who is actively flinging his résumé around looking for a new job, trying to convince us now after eight years that it is serious about the mess of the economy and that it is serious about training in this country.

• (1100)

We on this side believe in calling it exactly what it is: this is a cruel hoax, this is a farce, this is a government at 10, 11, 12, 13 per cent in the polls—depending on which poll you believe—using taxpayers' money and a third party to try and sell a policy that has been consistently rejected by the people of Canada over the last year or two or three.

If this government had one ounce of shame, it would go out in the slightly frozen turf, dig a hole and bury its head.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I heard the Minister of Industry, Science and Technology and International Trade compare Canada's competitive situation with a hockey game. It is quite evident that in so far as government leadership is concerned, our leadership consists of a number of hockey pucks.

The trifle of the discussion paper on education submitted by the Minister of Employment and Immigration is called *Learning Well and Living Well*. What we have heard today demonstrates that the first part of the title should have been, in respect of this government, "Learning Slow and for Canadians a Living Hell", if one pays attention to what my colleague had to say about the terrible toll of unemployment and misery that has been imposed upon Canadians by this government through its policies. To the extent that it has any policies having to do with the economy, these have consisted of such things as the GST, a high dollar, high interest rates, and so on, which perhaps I will say something about a little later.

Only a government that did not know its way would pay a million dollars to an American Harvard professor to tell Canadians that this country is too resource dependent, that it should have more manufacturing, that it does not have enough scientists, that it does not have enough technicians, that education needs to be enhanced and reformed so that Canadians can compete.

Mr. Harvey (Edmonton East): What was their first clue?

Mr. McCurdy: That was evidently the clue that did it. However, what one has to realize is that what we are hearing today is nothing new. It took all this time for it to penetrate into the minds of this government that we have a serious problem with respect to education and training, research and development, and science and technology.

I can recall the government convening an economic conference in 1985 and subsequent to that it has had all kinds of forums, in Halifax, Toronto, Saskatoon, Winnipeg, and Vancouver in respect to education, in respect to science and technology. It has had the National Advisory Board on Science and Technology. It has any number of specialist organizations speaking on behalf of the technology industry in this country. Every one has said the same thing. Yet for seven years this government has absolutely ignored the fact that we have fewer scientists and engineers than Japan, Germany, France and Great Britain and practically every one of the industrialized nations. Almost everyone who has looked at our situation has realized that Germany, Japan and even the United States—my God, in some respects even Mexico—outstrips us in producing trained workers.

I cannot understand how it is possible for a government to come before the Canadian people today and shock Canadians into understanding what has taken this government so long to understand and it is that it has been on the wrong track.

In fact, back when the free trade debate was going on, a great many of us pointed out that to enter into a free trade agreement such as this country did with the United States was going to confront our nation with a considerable challenge that the free trade agreement by its specifics did not allow us to meet.

In negotiating the deal, the government looked at the Canadian economy in the traditional sense that resources would somehow carry us through and we could give away all of the tools for improving Canada's manufacturing sector and improving Canada's performance. It had already become clear that we had to improve our performance in respect to value added. In fact, if we were going to enter into an agreement with the United States, we said as a party, then we should not open up the economy completely to competition from the United States unless we took the steps to correct the structural deficiencies in our economy.

I notice that as usual our Minister of Employment and Immigration talks about people in terms of national assets. He talks about human resources. I think this demonstrates the difference between the attitude of this government and my party. This is a government that speaks exclusively on behalf of those that would use what is in this country to make a profit. Everything out there, our resources and so on, are tools for making money without paying any attention to the human values and the human concerns that we think are most important.

We said that before we enter into such a free trade agreement with the United States, among other things, we should look at the capacity of our people to exercise their creativity and their capacity to innovate, to develop their skills so that they could reap the rewards of their efforts and not have someone else reap their rewards on their behalf using those people on whose behalf we speak as their resources for making profit.

If this country is going to grow and prosper it is perfectly clear that we are going to have to look upon this as an effort in which we are engaged together. I heard the Liberals talk about the failure of this government with respect to economic policy, its failure with respect to research and development policy, its failure with respect to educational leadership and so on. Just as this government cut back on transfer payments for post-secondary education, just as this government cut back on investment in research and development, just as this government has failed to provide the support for increasing our capacity to innovate, just as this government has in fact attacked post-secondary education, attacked research and development in so many ways, the previous government is just as much guilty as this government is in its failure because of Canada's position economically, in competition with other nations in this world, has deteriorated over the last seven years. It started deteriorating 20 years ago under a Liberal government that was just as much a failure as this government is.

We have the Minister of Industry, Science and Technology and International Trade, a minister who as Minister of Finance completely ignored the pleas from this side of the House to do something about increasing investment in R and D. When this minister was Minister of Finance, he was the one that caused the Prime Minister's promise, that there would be a doubling of expenditures in research and development in this country, to be broken.

It is this Minister of Industry, Science and Technology and International Trade, whose high valued dollar has caused almost a collapse in research and development and technology transfers in the automotive industry as testified to by reports from his own department which demonstrate that to be true, and there has been no compensation for that.

• (1110)

Mr. Speaker, our party is for consultation. Our party is for the participation of the people in doing something to improve the lives of Canadians, to ensure that Canada will prosper and that its citizens will have the benefit of a good livelihood based upon knowledge, training and skills.

We are outraged that this government should be suddenly shocked or pretend to be shocked by the fact that Canada faces an educational crisis and an economic crisis. This party was warned that this was happening for seven years, and before that.

We have made specific suggestions, some of which I find discussed in the government document on education, such as a grant levy system on industry to improve industry's performance and training, and a training and educational pool for youth. We have made suggestions for increasing the allotted money provided for universities and have asked for six years for a negotiated approach by the federal and provincial governments to university financing.

We have talked for seven years about increasing the amount of money provided to the granting councils. We can stand here and list, one by one, the propositions we have advanced for improving training, improving education and for providing national leadership with respect to educational goals, all of which have been ignored.

Now the minister stands before us and says: "My God, it is the proudest moment in my life". He stood up and said what we have been saying for seven years.

I am glad that this slow learning government has caught up with the rest of the country. It has caught up with those of us who have tried to speak on behalf of this country, but it pretends that it is acting while the iron is hot.

The iron has already cooled. I hope the Canadian people, however, will put a fire under it so that this government will begin to act, not talk, not delay, not pretend to be an advocate and a participant in increasing our capacity as a country to prosper.

* * *

[*Translation*]

ENERGY EFFICIENCY ACT

MEASURE TO ENACT

Hon. Jake Epp (Minister of Energy, Mines and Resources) moved for leave to introduce Bill C–41, an Act respecting the energy efficiency of energy–using products and the use of alternative energy sources.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Epp (Provencher) moved that the bill be read the first time and ordered to be printed.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and ordered to be printed.

[*English*]

Mr. Thacker: Mr. Speaker, on a point of order, I missed your call for presenting reports from committees, and I am wondering if I could get unanimous consent to revert to that.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

BILL C–40

REPORT OF LEGISLATIVE COMMITTEE

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I have the honour to present the report of the legislative committee on Bill C–40, an act to provide for the continuation of postal services, without amendment, in both official languages.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

PETITIONS

GUN CONTROL

Mr. Guy Saint–Julien (Abitibi): Mr. Speaker, I have a petition from residents of Ottawa and Nepean concerning the gun control bill. Your petitioners declare that access to firearms is a critical factor in cases of homicide, accidents and suicide; that many types of weapons easily available in Canada are not required for legitimate purposes such as hunting and competitive shooting.

Your petitioners therefore pray and call upon Parliament to pass legislation prohibiting the possession of firearms by any person with a criminal record.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Mr. Speaker, Question No. 108 will be answered today.

[*Text*]

Question No. 108—**Mrs. Gaffney:**

With respect to the Canadian Ownership Account (a) have there been investments financed from this account since the March 1990 acquisition of Petro–Fina and, if so, (i) what are they and (ii) how much did they cost (b) what was the total of the fund at the end of 1991 fiscal year (c) has the government made any plans for the remaining money in the fund and, if so, what are those plans (d) what is the specific criteria for spending the money in this fund (e) how will the passage of the Act respecting the privatization of the national petroleum company of Canada affect this criteria?

Hon. Arthur Jacob Epp (Minister of Energy, Mines and Resources): (a) Since the acquisition of Petrofina, which was completed in 1983, there have been no other investments financed from the Canadian Ownership Account.

(i) & (ii) Not applicable.

(b) As at March 31, 1991, the total remaining in the fund was $1,908,319,853.71.

(c) No.

(d) The criteria for spending the money in the fund is set out in subsection 71(3) of the *Energy Administration Act*, c. E-6, R.S.C. 1985.

(e) The *Petro-Canada Public Participation Act*, c. 10, S.C. 1991, does not modify the criteria for spending money in the fund.

[*English*]

The Acting Speaker (Mr. DeBlois): The question as enumerated by the parliamentary secretary has been answered.

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

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

On the Order: Government Orders:

June 13, 1991—Second reading and reference to Legislative Committee G of Bill C-22, An Act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other Acts in consequence thereof.

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, I ask for unanimous consent to move the following motion:

That this House now proceed to consideration of the report stage of Bill C-40.

Mr. Speaker, I am sure hon. members will co-operate, as is their wont.

The Acting Speaker (Mr. DeBlois): Does the minister have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion moved by the minister. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

POSTAL SERVICES CONTINUATION ACT, 1991

MEASURE TO ENACT

The House proceeded to consideration of the report stage of Bill C-40, an Act to provide for the continuation of postal services.

[*English*]

The Acting Speaker (Mr. DeBlois): I wish to inform the House that, pursuant to Standing Order 33(2)(a), because of the ministerial statements Government Orders will be extended by 67 minutes as follows: 60 minutes between one o'clock p.m. and two o'clock p.m. and 7 minutes beginning at five o'clock p.m.

• (1120)

[*Translation*]

Is there unanimous consent for introducing amendments, without notice, at the report stage of Bill C-40?

[*English*]

Mr. Murphy: Mr. Speaker, I rise on that point. There were discussions in committee last night and there was an understanding that we would allow the minister and any other member of the House to make amendments to this legislation in order to see if we can find some agreement on an issue which is outstanding and on which we believe there has been some progress.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent of the House?

Some hon. members: Agreed.

Motion agreed to.

[*Translation*]

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, as the hon. member for Churchill said just now, the committee met last night, and we discussed Bill C–40. I believe that the three parties represented on the committee agreed in principle on the substance of the bill. However, it was clear after some lengthy debates in this committee that hon. members, and especially the hon. member for Kenora—Rainy River and the hon. member for Mission—Coquitlam, had some reservations about clause 7(*b*). At that point, Mr. Speaker, I said that after the committee adjourned, which was around 11 p.m, I would consider the matter of clause 7 (*b*) and try to work out an amendment satisfactory to all parties concerned, including my colleagues from Kenora—Rainy River and Mission—Coquitlam, Canada Post and the president of the Canadian Union of Postal Workers, Mr. Parrot.

This morning I talked to Canada Post, and I had a meeting with Mr. Parrot. Without wishing to assume that both parties agree with the amendment, I do believe this amendment could be helpful and perhaps enable the House to expedite this legislation.

Mr. Speaker, as you know we are in a rather difficult position. We have received notice that there will be a general postal strike across the country as of 12.10 p.m. today.

Therefore, Mr. Speaker, I would like to introduce the following motion:

> That Bill C–40 be amended by striking out lines 4 to 7 on page 4 and substituting the following: "employer and the union are in *substantial* agreement *on the coming into force of this Act and the matters, including salaries, on which they subsequently agree* and incorporate into the collective agreement the contractual language on which they are *substantilally* agreed or, if there is no such"

The Acting Speaker (Mr. DeBlois): The Chair will take the motion in amendement moved by the Minister of Labour under advisement, but that being said, and in order to expedite matters, the Chair would like to give the benefit of the doubt, for the time being. I will recognize the Minister of Labour if he wishes to take the floor. The Minister of Labour.

Mr. Danis: Mr. Speaker, in my conversations with the president of the Canadian Union of Postal Workers, it was clear that one of the items on which Mr. Parrot has taken a firm stand is salaries, because the question arose during our discussion before the committee and also during my many meetings with Mr. Parrot. This morning, after talking to Canada Post, I can inform hon. members that —

[*English*]

Canada Post has shown another sign of good faith. I have been saying from the beginning that both sides have been showing good faith, even though I know now of course that it is not possible for the parties to reach an agreement. I believed and I still do that they are both sincere and both bargaining in good faith. To that effect Canada Post has indicated to me that there was in fact substantial progress and agreement on wages during the Gold mediation. They agree that a decision from the arbitrator should come quickly on that matter. Canada Post, again as a sign of good faith, is prepared to give an advance on increased wages pending a settlement.

As a result of that offer of good faith by Canada Post I would now ask my colleagues to show the same amount of good faith and try to adopt this legislation quickly. I would hope that as a result of the statement which I have just made on behalf of Canada Post, on behalf of the minister responsible for Canada Post, Mr. Parrot would hold off on his threat of strike action and that we could get this dispute resolved in a responsible way without a work stoppage. That would certainly be in the best interest of everyone in this House and in the best interest of all Canadians, including the best interest of the workers of the Canadian Union of Postal Employees.

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): The Chair can now rule that the motion in amendment moved by the Minister of Labour is in order.

[*English*]

MEASURE TO ENACT

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I too would like to make a few comments on behalf of the opposition and the Liberal Party as they relate to the negotiations and discussions of all members involved in this particular back–to–work legislation, Bill C–40.

One of the areas of major concern last night in committee was clause 7. If we look at clause 7 very

carefully it suggests to the arbitrator that the conciliation report and the recommendations in it would be used as the final arbitrator's decision if they could not come to some consensus as among Canada Post, the union and the arbitrator on what was decided during the mediation with Mr. Gold.

It was our belief as the opposition and my belief personally that this particular clause would tie the hands of the arbitrator so severely that in essence he or she could not get the job done in an effective way. Yesterday we as a party presented an amendment which we thought would rectify the issue of tying one of the arbitrator's hands behind his back. It was discussed very thoroughly for quite a length of time. As a matter of fact, we did not finish until late last night around 11.30. The clause that we referred to was to allow the arbitrator, as I said, to just take cognizance of the conclusions and recommendations set out in the report of the conciliation board submitted to the parties on August 16, 1991 and not to have to accept the recommendations forthwith.

• (1130)

Having said that, the minister today has submitted an amendment to us in this place. Looking at it first hand, I would say that it meets the requirements that we were looking for. The employer, the union and the arbitrator are to look at the substantial agreement and the issues that were in the substantial agreement through the mediation process, even further than that, not just through the mediation process, but the last weekend that the union and the company negotiated on their own.

It is very important for people to understand that without this amendment the arbitrator would have to look specifically at the conciliation recommendations and not at discussions that took place at the mediation process because there is no information and no report was made by the mediators. It was basically all a verbal discussion. As we learned last night, after Mr. Gold's process, all the information that was dealt with during that time was shredded. It would then become what the union believes was said versus what the company believes what was said and then the arbitrator would have difficulty coming to some sort of consensus. He would therefore have to revert back to the recommendation of the conciliator's report.

That conciliation report was never intended to be an arbitrator's recommendation or report. It was there as a part of the process to help people work toward a final resolution to this dispute.

I commend the minister for having the wisdom to see the difficulties that he was placing the arbitrator in. Arbitrators, as you well know, have gained a large respect in the labour movement and in our collective bargaining process because of their ability to be independent and deal with issues based on the give and take at the moment of the presentations that are made by both sides.

I want to reiterate again the opposition's sense of frustration with this whole process that we are undertaking today. We will tell you very firmly that we will not try and hold up this legislation because it is the will of the government to put it in. But we would also like to state very clearly that the legislation was unnecessary at this time. Before the minister introduced the legislation and the discussions that ensued on Friday, both parties were quite willing to continue the negotiating process. The government was frustrated with how slow things were working relative to this process and wanted to speed it up by introducing legislation that would, in its belief, force the parties to come to some sort of conclusion.

Anyone who is involved in the labour movement more than two days will tell you that the exact opposite happens when you threaten them with legislation. In most cases the company and management feel more comfortable with an arbitrator. They are quite willing to sit back and let the arbitrator rule simply because nine out of ten times, if you take a look back at the arbitrators' reports and the recommendations and the agreements that have come out of arbitration, you usually get a slant to the management side. Statistics will bear that out. It is proof that this kind of situation forces the labour movement and the unions involved to try to work out a settlement without going to arbitration. They feel that the compromises made will always be a step backward for the men and women who are involved in that particular dispute.

Once the government and the minister opposite made that decision to enter into back-to-work legislation and put it in this House, the collective bargaining that we are so familiar with ceased. It was completely done at that time.

I want to say to the government that if that situation continues, it is going to create some significant difficulties not only for this particular dispute, but for the relationship between management and labour in the long run.

It is my view and the view of this party that is not the way things should be done. When we get our opportunity to govern this great country of ours again, we will look at things much differently than this government has as it approaches the discussion of labour/management relations.

I want to verify that by reading into the record a letter I just received this morning from an individual in Scarborough, Ontario, who wrote to me and said:

> Dear Mr. Nault:
>
> Today on the noon news I heard that talks between post office and CUPW have broken off. As a postal worker this grieves me deeply. On the same news report the minister in charge of postal affairs said if we go back out on strike, he would introduce back-to-work legislation. We, the postal workers are in a legal strike situation. Going out on strike is our only means of getting our employer, the post office, to negotiate. To remove the right to strike by legislation destroys the very essence of our Canadian collective bargaining system. If the employer never has to bargain with us in good faith, what chance have ordinary Canadian workers to maintain a decent standard of living? We have been without a contract for over two years and no end is in sight. Why cannot the parties involved reach a fair and equitable settlement?

That letter was from a postal worker by the name of Stephen Miosich.

Mr. Speaker, I want to suggest to you that it is also my personal feeling that if we take away the right to strike, we are simply suggesting that there is another mechanism in place that is more effective. If the government firmly believes that, then why does it not bring legislation forward which will suggest the true agenda of that particular party. It continues in a roundabout way to change the rules of the game and the process that all Canadian workers are familiar with. It creates uncertainty in the land between management and labour when it comes to the art of collective bargaining.

Mr. Speaker, I realize that time is short today and I do not want to tie this up. I want you to know that when all is said and done, this is not good legislation. I suppose it is the best we can put forward when you consider the ideology of the government. I hope that the arbitrator chosen will have a tremendous sensitivity to the difficulties in Canada Post.

I want to make this very clear to all people who are listening out there today. The arbitration that was put in place in 1987 did not rectify the problems at Canada Post. The arbitration process that we are putting into effect here today through this back-to-work legislation will not rectify the problems at Canada Post. Only good faith bargaining can do that for Canada Post and its employees. I hope that people realize that the sooner we put that mechanism to work and allow them to improve their differences, the sooner we will get good postal service in Canada.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I would first like to say that this caucus is pleased that the minister took us seriously last night and understood the kind of concerns we were expressing. When the minister introduced his amendment today, he talked about good faith being shown by Canada Post. Based on what the letter that we tabled in a committee meeting last night said, there was a serious question about good faith. That letter really highlighted why we, the New Democratic Party caucus, were terribly concerned about what was in clause 7.

We appreciated the minister's arguments that what we were seeking in clause 7 was indeed already there. That was an assurance that clause 7, which talks about what would be taken into account by the arbitrator, would include the Gold mediation and the matters that were agreed to while the mediation took place. It would include the Lapointe conciliation report recommendations, at least in terms of looking at where they belong and not having them superimpose anything that was subsequently negotiated between the two parties with Mr. Gold, or subsequent to Mr. Gold reporting out, and any other discussions or substantive agreements that were made between the time Mr. Gold reported out and the time that this legislation becomes law. As you know the two parties continued to negotiate over the weekend. There were matters on which there was substantive agreement throughout the whole process and although they had been agreed to in principle, they had been sent away for drafting. In collective bargaining when there is an agreement in principle, material is sent away for drafting. When it comes back to the parties they review it

and at that point if they agree that the wording is appropriate, they sign it off.

• (1140)

In this instance because things moved rather quickly, there were a number of items that had been agreed to in principle and had been sent for drafting or were awaiting signing off. Matters overtook those items on the agenda and bargaining broke off.

We were concerned about those items that had not been signed off—although we were absolutely sure that the minister was correct when he said Canada Post was bargaining in good faith—because of the letter Mr. Parrot received at one o'clock yesterday afternoon, after the Postal Services Continuation Act was tabled in the House. The letter said, and I would like to read it:

> During the course of these negotiations, in an effort to reach a negotiated collective agreement, and later in an effort to avoid a strike, with its costs and hardships caused by continued work disruptions, the corporation made several proposals and offers and agreed to various texts and positions. It now seems apparent at this late hour that this effort, including all the most recent concessions the corporation has made, has not helped us to attain our goal of a negotiated collective agreement.
>
> This is to advise you that any and all of the corporation's positions, offers and proposals made through the mediator or otherwise, after midnight of August 23, 1991, are withdrawn. This includes any language, propositions, offers and proposals that were accepted by the union with the exception of clauses signed by the parties during the mediation process.
>
> The corporation's position now reverts to the recommendations of the conciliation board, chaired by Mr. Lapointe.
>
> Mr. Courville, Chief Negotiator, Canada Post.

We were somewhat alarmed when we saw a letter from Canada Post saying "everything that has been agreed to after the date of August 23 is now no longer in agreement", unless it has been signed off. Many, many items were substantially agreed to, both with the mediator, Mr. Gold, and in bargaining that took place with the two parties after Mr. Gold signed off.

So we are very, very pleased that the minister has taken account of our concerns and introduced this amendment to clause 7.

One of the important factors is that often those who have not participated in the collective bargaining process lose sight of the fluidity of bargaining. We understand and surely the minister and both parties understand that when you are bargaining, things change. Something is offered in return for something being taken off the table, or something is agreed to in return for something else being put on the table.

In a definitive way to say that unless it is signed off it is not going to be covered by this bill would have been a disaster in terms of hours and hours and days and days and weeks and weeks of very tough bargaining on everyone's part. It is very important that the minister has introduced this amendment and is in fact allowing all of that hard and good work that was done to be taken into account by the arbitrator.

I think it is also very important at this report stage to know that there was another substantive clause that we expressed considerable concern about. That clause was clause 5, paragraphs (3)(a) and (3)(b). This clause in essence covers the time period that began August 24, 1991 and ended at 3 p.m. Eastern Daylight Time on September 5, 1991. At that period of time there was no collective agreement in effect. Rather than extending the collective agreement, the New Democratic members on the committee requested that the provisions in the collective agreement be used to deal with people who had been disciplined or discharged in that time period. The government has set those dates aside and provided a clause that does in fact provide for arbitration. However, it also provides that those people will not be returning to work or will not be at work while they are waiting for an arbitrated settlement.

We in Canada have always prided ourselves in an attitude of innocent until proven guilty. We have, the minister tells us, 71 people who will not be working at Canada Post until the arbitrated period is finalized for those people who were fired during that winter. What we have therefore is a situation whereby a number of workers who in some instances have been disciplined or discharged for very minor things will in fact be away from work for a long period of time. It has already been two months that those workers have been unable to attend work, have not received pay, are not eligible for unemployment insurance because they have been discharged or are not eligible for welfare in many provinces because they have been discharged. In fact they must now wait for an arbitrated process.

The minister tells us he will facilitate a fairly quick review of those arbitrations. He will ask the arbitrator to facilitate a quick review and try to deal with those whose transgressions are of a more minor nature.

The fact remains that by leaving this clause as it is in section 5, we are taking the position that all those people who have been discharged had been discharged for good cause, are guilty of whatever they have been accused of and should therefore pay a further penalty.

We had asked that this section be amended by adding at clause (c) that the employee should be reinstated during implementation of the process under sections 3(a) and (b). We felt that it was a fairly simple but humane way to go. Last night the committee chose not to agree with us. I think it is very important that we remember the basic principle of innocent until proven guilty.

In conclusion, I would like to say that we would very much like to see this matter settled. We feel very strongly. We are opposed to this legislation. We are opposed to legislating people back to work before they have even gone on strike. In essence this legislation almost says: "We are taking away your right to strike".

It is very important once this legislation is completed and the arbitration process begins that the House of Commons and the committees that are responsible take a very serious look at collective bargaining in the federal sector. Under this government we have had back-to-work legislation nine times. Every time we get back-to-work legislation it is a further indictment of the failure of the collective bargaining process under the federal laws and under the federal government.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I would like to engage in a few minutes of debate on this matter.

As I see it this has been a very interesting process, one in which I have maintained a considerable amount of interest. For the first couple of years of this Parliament I served as the New Democrats post office critic and have been very pleased with the results of the work of my colleagues the member for Churchill, our new post office critic, and the member for Mission—Coquitlam, our party's labour spokesperson. I believe that a lot of the work they have been doing in the last few weeks has helped to build an understanding by members in this House and people across Canada of the collective bargaining process and its value in our society.

• (1150)

What we were seeing on our television news screens and in the pages of Canadian newspapers over the last little while has been the process of collective bargaining.

The Canada Post Corporation and the Canadian Union of Postal Workers have been sitting down daily for six weeks and going through word by word, clause by clause, and paragraph by paragraph parts of a very difficult matter, trying to negotiate a collective agreement, something that had failed on numerous occasions.

That collective bargaining process ended just a very few short days ago with all parties acknowledging that in fact they were very close to a settlement. The collective bargaining process had almost achieved a success in what has been a very difficult and long discussed process.

I felt very confident that in fact this matter would be settled through the collective bargaining process. Despite the fact that I have a great deal of concern about the direction that Canada Post has been taking in recent years, the move toward privatizing postal outlets and the privatizing of the whole retail network has been of great concern to me.

The use of contract and part-time employees was of great concern to me, as was the whole sense that management was expressing that in fact the workers were to blame for much of the problems at Canada Post and management direction was not the cause of any of the problem. Despite the fact that I have great concern in those areas, I was relieved to hear that among the many clauses in a potential collective agreement there was considerable agreement between parties.

I was most disturbed to see the letter—and my hon. colleague from Mission—Coquitlam raised it just a few moments ago—from Canada Post indicating that as far as it was concerned because of this legislation all agreements it had reached with members of the union after August 23 would be withdrawn. In fact, those hours of dedicated collective bargaining were virtually thrown out the window.

I cannot express strongly enough how disappointed I was that Canada Post, the management, the corporation, would say that in fact those negotiations were for nothing.

Therefore I thought the reasonableness of the process, the potential success of the process, just lost all credibility because the corporation was going to step backward and give up these matters which had been agreed to through the collective bargaining process and, had a final agreement been reached, would have been accepted happily by signing the collective agreement. With the bringing in of the stay-at-work legislation, this government has essentially allowed the corporation to maintain its position. I am quite happy to know that amendments are before us that will in fact clarify this matter further and perhaps will settle it.

I very much appreciate the work of all parties in this regard because there is nothing more difficult than reaching agreements in difficult situations, situations where emotions run high. There is no question that there are philosophical differences relating to this collective agreement as well as simply practical administrative matters. I have been listening carefully to the remarks that have been made in the House. I just want to put one thing on record that I think is most important before we go on in this process relating to this legislation. When the minister introduced this legislation he used in his justification words to the effect that seniors needed to get their cheques. I could not agree more.

The phone calls to my office indicated that a disruption in service at Canada Post would be most detrimental to the quality of life and the ability of those people on fixed incomes who rely on Canada Post to deliver that income to them to maintain their lives.

It was not necessary, I thought, to justify the stay-at-work legislation, given that Canada Post Corporation was presented with a suggestion by the Canadian Union of Postal Workers to ensure that the delivery of these cheques would be carried out. In fact my colleague, the member for Churchill and now the NDP's postal critic, was quite angered by Canada Post's refusal to ensure the cheques for senior citizens would be delivered by postal workers on their own time in the event of a disruption. Since September 19 my colleague from Churchill has been seeking Canada Post's participation in a protocol that CUPW had already agreed to. Such an agreement would permit the delivery of cheques to those who rely on mail delivery for those cheques.

In summary, Mr. Speaker, because you have signalled me that my time is about to expire, I want to commend the process that has taken us to this point already, a process that seemed to indicate the successfulness of the collective bargaining process in this country and assure the seniors and others in my constituency that it is not the members of the union who are trying to prevent the delivery of their income to their doors. It is in fact a deliberate attempt by Canada Post to ensure that the blame again falls on the workers when perhaps the opposite is the case.

I thank you, Mr. Speaker, for the opportunity to say a few words here today. I am looking forward to seeing this matter settled in the interest of all Canadians and of ensuring that Canada Post Corporation and this government understand that indeed service to Canadians is the mandate of Canada Post and that Canadians deserve a strong service oriented post office to serve them.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate having the opportunity to make a few short remarks on this very important piece of legislation.

I just want to say that when a corporation basically goes from losing almost $1 billion a year, as this corporation was prone to do in the early eighties, to generating I understand this year close to $300 million to $400 million there is a lot of excellent work obviously being done by both parties.

Management obviously is using its ingenuity in terms of technological change and making sure that there are efficiencies and productivity systems being put in place. At the same time we should not forget what productivity is. The capacity of machines is ultimately the exercise of the will, the co-operation and the support of the work force. We cannot forget that the work force within the postal system of Canada obviously has also done a fabulous job.

• (1200)

I speak as a small businessman who on more than one occasion has borne the brunt of having a negative experience as a result of not getting the mail delivered. I understand the frustration of small businesses in this country when postal service is disrupted. The problems that you have when you are trying to meet your payroll

and your payables and your mail does not come in are tough.

Often the letter carriers bear the brunt of abuse when we have a strike with the post office. I experienced a situation last summer in my riding of Broadview—Greenwood where the letter carriers were being publicly maligned because the pension cheques, welfare cheques and disability pension cheques were not being delivered. In our particular area, the stewards of postal stations J and G expressed in writing a willingness to say: "Listen, we do not want to see seniors standing out here in 110 degree heat. We want to deliver those cheques and we are willing to deliver them to those people who are in need, seniors who are having difficult times finding money to buy their groceries". It was a horrific scene on Danforth and on Carlisle last summer. There were single moms waiting for unemployment cheques.

There was a misunderstanding that crept into the community. Those people that were out there suffering tended to blame the letter carriers when in fact they were willing to try and ameliorate the situation.

I can remember communicating with the executives of the post office who said: "Well, no, we are not going to co-operate on this unless all cheques or all mail right across the country is delivered". In other words, it was an almost all or nothing approach. I remember a specific situation where I was out there chatting with some of my seniors. On one particular day a senior citizen nearly passed out almost right in front of me. I called Mr. Lander and tried to express my concern to him: "Listen, I am absolutely convinced that you and your management team are not supporting this kind of action". This is what happens. Sometimes we become remote from the real suffering that is out there. Sometimes we are too quick to blame those who seemingly are on the front lines. In this particular case, I felt that there was a lot of unnecessary abuse being handed out toward our letter carriers.

It seems that there has been a good spirit developed here in this process of negotiation, but I hope that both sides will park their tactical resources and their little jousting resources that they have and get into the spirit that seems to exist in this House today. The minister has expressed so clearly today that both sides seem to be sincere in solving this issue. I think if we can continue that spirit then the people of Canada will ultimately be the beneficiaries.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I have just a few words to say on Bill C-40.

As you know, Mr. Speaker, the legislative committee met last night, late into the night, to work through this bill and to seek the consensus that we felt was necessary to produce passage of this bill today in the House.

We did have some disagreement last night, but at the end of the evening I think we were close to unanimous. We agreed that we had a willing minister who was willing to listen to both sides of the argument and who was willing to take some of our considerations to his people very early this morning in an attempt to come up with a bill that we could all support in this House today. He did that. One of the concerns expressed last night, and articulated this morning by the member for Mission—Coquitlam, was simply that we did not want to lose much of what has been accomplished up to this point through the conciliation process.

Although the members of the committee from the government side, including the minister, felt that the bill as presented yesterday would do the job, there was concern by the NDP and the Liberal committee members that Bill C-40 would not accomplish that.

In the best sense of compromise, the minister did go back to his people and his legal counsel. He told us last evening that he would attempt to bring in an amendment to Bill C-40, particularly clause 7, in the hopes of relieving some of the anxiety postal workers experienced, and felt they would experience, if we did not change that part of the legislation.

The minister did that. From the expressions from the various sides of the House this morning, we would have to agree that he kept his word and did a good job in coming up with a bill that we on both sides of this House should be able to support.

We do not want to lose sight of what Bill C-40 does. It is the legislation that will put the postal workers back to work in the event of a strike. It appears that strike is coming very, very soon. The point of the legislation is to put the postal workers back to work, to do what all Canadians want them to do, deliver the mail.

As I mentioned yesterday in the House, 80 per cent of the mail in this country is business mail. We can think of all kinds of things that can destroy a business. We can talk about inflation, high interest rates and a high Canadian dollar. But the fact is, if we do not have mail delivery, that in itself can destroy a Canadian business. It has done so in many cases.

I have had some dialogue with some business people in my constituency. They are, of course, of the same opinion that mail delivery to their business is very, very critical. We cannot afford another strike, short or lengthy.

I want to congratulate the minister. I think he has conducted himself on a very, very high level in a very, very difficult situation to ensure that the passage of this bill does take place. Again, the objective is to make sure that Canadians have good, continuous postal service. The country at this particular time, coming through a recession, cannot afford a postal strike, whether it is short term or long term.

I believe we have accomplished that in the legislation and in the amendment the minister brought before this House this morning. I am sure that the majority of members in this House can support the back-to-work legislation.

Mr. Jerry Pickard (Essex—Kent): Mr. Speaker, looking at this legislation and considering the ramifications it will have for the Canadian public, we can accept the fact that service to Canadians is the paramount issue with regard to Canada Post.

Last evening all three parties had an opportunity to sit and listen to the presentations from Canada Post, CUPW and the minister, and to discuss the issues that are forthcoming today.

We also felt very concerned about some of the issues that came up yesterday afternoon.

• (1210)

I refer in particular to the letter from Canada Post which basically withdrew its total position through the mediation process and its position ever since August 16, where the conciliation had occurred.

I have to commend very much the minister for the position that he took in making certain that we are not going to overlook Mr. Gold's work. He did a tremendous amount of work in bringing together many of the unresolved issues. The mediation process, as the minister pointed out, was very successful. We are very pleased that that did occur.

I guess today we look at the amendment that the minister brought in to make certain that that mediation process is at least taken into account by the arbitrator. The arbitrator will not be going back to square one as CUPW was very concerned about, with very good reason I might point out.

We are very happy that when we spoke with Mr. Parrot he told us that if we could make certain that the conciliation process and the mediation process were guaranteed to come in line, and those areas that had been agreed to by both parties were in place, then arbitration could settle the few outstanding issues that remain.

I really see no other way to settle them at this point. I would support what the minister has said. We had come to a point in the mediation where maybe each party was at the very bottom line whereby no further movement, or not much further movement, would occur. As a result, in his wisdom he left the process to move to a further finalization through an arbitrator.

The minister in following that up did that quite appropriately for avoiding a strike and making sure that proper protection for each party was paramount.

At the same time, I have to congratulate the member for Kenora—Rainy River who worked so diligently at bringing forth an amendment to meet that need. It made certain we did not go back to the beginning of mediation, go back to the point they were at in the middle of the summer. He worked very diligently at drafting an amendment to make certain that the minister and everyone understood that we should be using all of the work of mediation and bringing it through. I think it was through the diligent work of my colleague from Kenora—Rainy River that that came about. So I would commend him very much.

I commend the minister for taking several hours to sit down last night and go through the bill clause by clause, explain the implications of the bill, try to listen very carefully to the arguments and come up with a resolution that all parties could accept.

I did, and I still do, have a couple of concerns with the bill. The first concern that I would voice is the fact that we have some 70 workers who basically over the strike period of time, the 10 days, have been suspended or put

out of work. They are not being given an opportunity to be reinstated immediately. I think there are some of these individuals who, through one means or another, were dismissed improperly. They should not be found guilty before the hearing is actually held in their favour. However, the bill does address some of that and possibly will not lead them to the point of coming to the end of all the arbitration. There are 130,000 arbitration cases or grievances that have to come forward, so that process will be speeded up somewhat.

The other area I did have some concern about, and I voice this directly to the minister as well, is the fact that you are referring the arbitrator to Canada Post's corporate plan. I personally do not see any reason to prejudice the arbitrator by suggesting the corporate plan should be part of the arbitration process. I certainly believe that in putting parties up equally, the CUPW group and Canada Post should be able to present their concerns and their arguments on an equal footing. To make it a direction of this bill that the arbitrator consider the Canada Post corporate plan seems to me to bias a neutral position this bill should take in the resolution of this problem that is there.

I do think that we have stilted the arbitrator's opinions somewhat by mentioning the Canada Post corporate plan. However, again I would suggest very strongly that all parties, all individuals, worked together very well last evening and I would give congratulations to everyone involved, particularly my colleague from Kenora—Rainy River and the minister and I would say the NDP for its efforts with that as well.

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, I probably will be congratulating the minister at the end of my speech as well, but I would like to congratulate him at the beginning along with my colleagues, the hon. member for Mission—Coquitlam and the hon. member for Churchill, and yes indeed the Liberals too for the work which they did, particularly last night in getting some changes to the bill which certainly are going to go a long way toward ameliorating the problem which we find ourselves in today as far as the labour dispute and the contractual problems with Canada Post and the Canadian Union of Postal Workers are concerned.

Nonetheless, Mr. Speaker, I sat in on the committee last night. It is the first time I had been in one of those committees since the back-to-work legislation for the ships' crews and the hospital workers and the Public Service Alliance strike of a while ago. It is amazing how little things change with time.

What we see in the whole labour relations with adjuncts of the government such as the post office is a willingness on behalf of these branches of the government to try to be absolved of the major responsibility for really good faith bargaining when they come to negotiating with their employees.

I think the best way to sum that up is that they depend in all instances, it seems to me, during negotiations for the government to get them off the hook if something fails and they really do not care whether they fail or not. I think the situation we find ourselves in now is ample evidence of that.

I would suggest however that with the bill before us, particularly the amendment which we are discussing right now, in actual fact the government has put the responsibility particularly back on Canada Post. I would only have wished that this kind of philosophy, this kind of attitude, this kind of mind-set, had been part of the negotiations which started at the beginning. I do not think that what is happening here is that the government has for the most part got Canada Post off the hook on this issue.

There certainly was an indication that that might be what was happening in the original legislation. It is to the credit of the minister and his sensitivity for particularly the people involved as workers at Canada Post that we have this amendment.

Clause 7 would have for all intents and purposes negated everything which had occurred up until the implementation of this legislation. It gave a whole new meaning and a whole new weight to that expression where it says we have to go back to square one, although it would not have been quite square one because we did have the conciliator's report in between which did make a few recommendations but in no way was definitive or addressed the major problems of the postal workers. Hence, we of course had the strike. Clause 7 was the reference to where if the parties were not able to agree they would go back to the conciliator's report, ignoring the excellent amount of work which was accomplished under the leadership of Judge Gold. Those of us who watch our news reports almost on a daily basis were able

to sense that after Judge Gold became involved in the negotiations, a tremendous amount of progress was made. It certainly is to his credit as well that that occurred. I suspect also, with the respect in which he is held by both parties, he is to be tremendously credited for having accomplished that much.

• (1220)

The fact of the matter is that without the intervention of the hon. member for Mission—Coquitlam and the hon. member for Churchill and, yes, to some extent as well the member for Kenora—Rainy River, progress was made last night. The minister was able to be apprised of some of the sensitivities which were involved and I think for the most part the absolute stupidity of ignoring everything which had been accomplished up to that point, including what had occurred between Canada Post and the Canadian Union of Postal Workers subsequent to Judge Gold's leaving the scene in what I suspect was a certain degree of frustration. Nonetheless, as has been indicated in more than one instance, they were very close to coming to a settlement. There were not all that many outstanding issues.

I am not privy necessarily to what those instances were, but I suspect that the legislation which we have before us this morning will go a long way toward solving those issues as well.

There is at least one other part of the legislation to which I would like to refer. It is unfortunate that were was not more progress made in so far as clause 5 was concerned. Clause 5 refers to the action which will be taken regarding those who in the opinion of Canada Post have violated Canada Post's sensitivities in so far as people should conduct themselves on the picket line.

I would suggest that it is tremendously unfortunate that some other form of amelioration of that problem was not brought forward, other than just simply the assurance of the minister, which I do not doubt, where he says those cases will be followed expeditiously. Even so, these people have been without any sort of income for two months. It is difficult to say how long the process will take for the arbitrator to arrive at a decision in their instance. I would suspect that some of them are suffering tremendously and their families are suffering tremendous hardships as result of Canada Post acting as judge and jury and for all intents and purposes sentencing these people to what may very well be a very heavy fine, albeit imposed by it through the withdrawal of their wages.

I would like to emphasize in relation to this whole matter of those who have been disciplined by any company in a situation such as this, for the most part when the dust settles, however far it is into the future after a settlement, often when a settlement is arrived at the union says: "All these people come back or none of us come back", and of course that is a stance which very quickly solves the matter. I think it is to Canada Post's everlasting shame that they did not agree to that.

In 1987 in a similar situation, 42 people had been similarly disciplined, summarily discharged by Canada Post, only to have 38 of those 42 people—or close to those numbers—reinstated which means for all intents and purposes the charges against them were withdrawn. That is tremendously common.

In this 1991 instance, we have 71 people. I can predict right now that probably at least 65 of those will be found to be completely innocent of the charges which Canada Post has brought against them and for which it has acted as judge, jury and hangman.

I really hope that in the case of these people the minister uses his influence to expedite these tremendously sensitive problems these people have as quickly as possible. I even hope that without his interference, Canada Post will take a second look and read the report of last night's committee, read what was said, what was pleaded in relation to those people and reinstate them.

As a matter of fact, there was the case of a part-time worker employed during the strike—we could use more impolite terms—who was charged by Canada Post but continued to work. If substitute employees can continue to work, I would suggest that full-time employees can too.

[*Translation*]

Mr. Denis Pronovost (Saint-Maurice): Mr. Speaker, we are in the House today to discuss the Postal Services Continuation Act. This morning, I had a chance to talk to several constituents from my riding of Saint-Maurice, who were under the impression that the government not only wanted to maintain postal services and avoid a strike at all costs, but also wanted to impose all the working conditions for Canada Post employees. That is what people are saying, and it seems this rumour is widespread. However, if we take a closer look at the legislation proposed by the Minister of Labour, it is in fact

quite moderate. It is a very acceptable piece of legislation that, of course, is intended to maintain postal services—I don't think there is any doubt about that among most Canadians—but this legislation will also enable the parties to agree on a certain number of items that are still in dispute and could not be dealt with in the past. So first of all, I think we should make it clear to Canadians that the government has no intention of forcing measures down anyone's throat. It just wants our Canadian postal system to function properly.

Listeners may wonder why we are again stuck in this country with a deadlock in negotiations between the Canada Post Corporation and the Canadian Union of Postal Workers. It is a serious problem, and unfortunately, no one in this House has a solution. We could consider the history of the founding of the Canada Post Corporation and also relations prior to that event, to try and understand. However, this is probably one of society's greatest mysteries, and I certainly do not have the answer.

There were people, especially among the opposition, who tried to argue that it was not appropriate to pass legislation at this time, and that perhaps we should wait a little longer. I beg to differ. I think that Canadians, the people we are supposed to represent, have been extremely patient. Mr. Speaker, these negotiations have been going on for nearly two years. They have been talking for 23 months. The process included 78 conciliation meetings, 60 meetings arranged by the Conciliation Board, and 40 mediation meetings with Judge Alan B. Gold. Mr. Speaker, that is a lot of talking. Furthermore, all these discussions cost Canadian taxpayers a lot of money, since they have to pay the bills for negotiations which have been going on for two years.

I find it very difficult to understand why some opposition members say the government should wait a little longer. They say the government should allow another strike and let the Canadian postal system be disrupted again. I do not agree, Mr. Speaker. There are many people in my riding who think this legislation may not be drastic enough and may not be the kind of legislation we need in the circumstances. I am not saying I share this position, but Canadians are becoming exasperated. Many people would appreciate a firmer approach.

• (1230)

However, it is a nice surprise, I must say, to see the Liberal Party and the New Democratic Party both commend the Minister of Labour for the way he acted in introducing this special legislation, and especially for his efforts since last August to reason with both parties and facilitate a settlement. This is quite a positive attitude on their part.

It must be made clear that the personal involvement of the Minister of Labour was most helpful. He managed to convince the parties to bargain on good faith a whole slew of items regarding this collective agreement. Unfortunately, we find ourselves today, Mr. Speaker, in a situation where the negotiations between the Canadian Postal Workers Union and Canada Post have stalled again.

Parliament could pass back-to-work legislation to at least maintain postal services, since, technically, there is no strike. We could even impose new work agreements for the next few years on the workers, without consulting them, as the Quebec government did a while back.

I think that this would not be a good idea, however favourably some view this solution. We are giving the CUPW and Canada Post enough leeway, Mr. Speaker, to pass special legislation quickly with the unanimous consent of this House while allowing Canada Post employees to get relatively interesting working conditions.

It is not to ridicule the postal workers or to be envious of them than to say that their working conditions are very good, with a great pension plan and fringe benefits like few Canadians get in their collective agreements.

Mentioning this is arrogant and saying that postal workers have always been well treated is the truth, Mr. Speaker, and I think that we should repeat it to Canadians today.

The other point on which I would like to speak briefly is that a few weeks ago, we had a postal strike that disrupted services nationwide, in spite of the efforts made by management to maintain those services. But there is a more fundamental problem, namely the increasing competition faced by Canada Post. Courier companies, electronic mail systems, telephone companies in general as well as oral communications have been expanding in Canada and throughout the world in the

last ten years. This makes it much more difficult for Canada Post. The Corporation must face the competition.

Mr. Speaker, every time there is a strike at Canada Post, contracts which were obtained with difficulty by the officials of the Corporation are in jeopardy. Indeed, these contracts could be lost by Canada Post which would have the effect of jeopardizing the employees part-time or full-time jobs.

Since we live in an increasingly competitive and interdependent world, the Canada Post Corporation and its employees can no longer behave, Mr. Speaker, as though they had a total monopoly and control over the handling of postal services across the country. This is an aspect to which the Government of Canada must pay the greatest attention, since the two parties were unable to reach an agreement.

That being said, Mr. Speaker, I must tell the union members in my riding that I believe very firmly and clearly in the collective bargaining process and the right to strike. In my opinion, those are two essential rights in our society. However, when exercising those rights threatens the very future of Canada Post and of a number of jobs in that corporation and affects our companies' competitiveness, the government must intervene.

Small businesses in Canada account for 80 per cent of the new jobs created in 1991. Everything points to this trend continuing in years to come, Mr. Speaker. Considering the problems caused by the recession, as well as the economic problems in Canada, in the United States and all over the world, adding a new problem for small businesses, a strike by the postal workers, would make it much harder for them to compete. These difficulties must be overcome and that is why the government has brought in this Act to provide for the continuation of postal services, with all that entails, but also with advantages for postal workers who should seriously consider the open-mindedness of the Minister of Labour. The minister should be congratulated for his efforts in recent weeks. Since my time is nearly up, Mr. Speaker, I will conclude by wishing very sincerely that the Parliament of Canada, the House of Commons and the Senate, unanimously and very quickly pass the 1991 Act to provide for the continuation of postal services, and that we can again receive normal postal services for a very long time.

[*English*]

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is a pleasure to stand today and speak on this bill before the House.

It appears that this is a situation where we have to review exactly where we are going in the Public Service sector. We have to review where we are going in the area of labour relations. It seems to me that what we have seen lately in legislating people back to work, I believe it is four times since the last throne speech, is a labour relations situation from the dark ages.

We have to face up to the fact that we are going into the 21st century. We as legislators and particularly the government must realize and recognize that there are other ways of doing things than the old confrontational methods that we have seen used by Mr. Lander of Canada Post and by the Minister of Finance with his zero rate increase in the Public Service sector. There is a way of approaching a collective agreement and collective bargaining in good faith and looking at all aspects of the people, the job and the industry in which they are in, in the service sector, the Public Service sector and again in the postal service.

We have a situation where the postal union has been without a contract for some period of time. It has been looking and trying to bargain in good faith on the part of the employees, but there is that frustration factor present.

If we look at what has happened over the last few years, the so-called privatization of Canada Post, the closing of rural post offices, the gutting of the rural system of postal delivery, this was done without asking for any input from the members of the postal union or the employees of that union or of the corporation.

It seems to me that if we are going to go into the future in a way that does away with strikes, as so many people in this country wish for, we have to look at the situation and take input from all sectors. We must not only listen to management, or the union and employees or the government. We must look at the situation from all sides and take input from all sides to come to a conclusion.

It is not good enough any more, as we have done in Canada Post, to ignore the employees' side and take the management side and say: "We are going to streamline the system."

I have spoken to letter carriers, postal workers and managers of small post offices within my riding and other ridings. It is clear that these people who work every day delivering, sorting our mail and getting it to us in a timely manner, know how the system works and know how it can be improved, but are they asked for their input? Are they asked how the system can be made better so that service can improve, so that we as taxpayers can save some of the tax dollars with the improvements? No, they are not asked.

• (1240)

The input they could give is ignored. In today's climate, that is simply not good enough. We have to start asking those workers for their input. We have to start taking into consideration all aspects of what management, employees and those who are being served want and need. This is the way of the future. This is what we have to start looking at.

In the minister's comments yesterday he spoke, and probably rightfully so, about some of the difficulties the citizens of Canada and certainly the people in my area are concerned about. I have a very high percentage of seniors in the Okanagan—Similkameen—Merritt and the boundary country of my riding of well over 30 per cent. They depend on regular delivery of mail to keep in touch with their neighbours, their friends and relatives and to get their old age security, Canada Pension and various other pension cheques.

The solution has been put forward more than once by the member for Churchill. The members of the postal union offered to make an agreement between the union and management to ensure that the uncertainty of the delivery of these cheques be taken into consideration ahead of time. Then everyone would know what was going to happen and that these cheques would be delivered to the people who so badly need them.

What did management do? They turned their back on it. They turned their back on the senior citizens and said: "We will wait until we see what happens". Well, the precedent was set in the past. Management agreed in the past to a regular transitional period where service would be continued. Why will Canada Post not agree to it this time around? Why have we got this confrontational edge once again?

If we think back on confrontation we can look at the last postal strike where the postal service trained people as scabs to take over jobs of legitimate employees and union members ahead of any strike notification. It seems that the 19th century method of dealing with employees was once again at the forefront: negotiation by confrontation. For those people in my constituency, that is not satisfactory. I am sure that for most people sitting in the House of Commons that is not satisfactory. For senior citizens, the small business person and those in large industries, that is no longer satisfactory.

We have to look at what must be done. We must get away from confrontation within the labour relations area. We must negotiate in good faith from the beginning and before the collective agreement expires. It is not good enough to wait until two weeks, two months or two years after the fact to begin negotiating seriously. We must look at negotiating from the beginning and go through it.

I do wish to look briefly at some of the legislation to make it known exactly what has happened here. As I understand it, the minister is to appoint an arbitrator through interventions by the member for Churchill and the member for Mission—Coquitlam. The minister has brought in a recent amendment to clause 7(2)(b) of the bill wherein he allows any substantial agreement that has already been reached on other matters, including salaries, to be incorporated in the collective agreement under the arbitration. Then we do not have to go back to square one as it were in trying to reach an agreement under arbitration. That is a major step.

It seems to me that much has been gained over the last six weeks through Mr. Justice Gold as mediator and the union and management. It would be a pity to lose that under the present legislation. I am very pleased that the minister has recognized that and has brought in this reasoned amendment.

I hope for the sake of all Canadians that reason will prevail, that Canada Post and the union will get down to negotiating in good faith, that the employer, Canada Post, will not continue its confrontational methods and will make every attempt to reach a satisfactory agreement. Seniors and small business people across the country will then be served in the manner that they are deserving of.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the house to adopt the amendment?

Some hon. members: Agreed.

Amendment agreed to.

Mr. Danis moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Hon. Gerald S. Merrithew (for the Minister of Labour) moved that the bill be read the third time and passed.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, speaking on third reading of this particular legislation, Bill C-40, there has been a great deal of co-operation since this bill was first talked about by the various political parties in terms of this particular piece of legislation, particularly when it went on notice as of last week.

We had suggested all through this particular dispute that it could be resolved by having a third independent party come in to assess the various concerns with regard to postal services as well as monetary issues between the employees and management.

It was not until the eleventh hour that the Government of Canada came to its senses and appointed a mediator who worked very hard. I understand from the information that has come to my attention that representatives of the Canadian Union of Postal Employees as well as representatives of management attempted in a very sincere way to resolve many of their outstanding differences.

I think it should be clearly understood that labour and to a similar extent management attempted in good faith to resolve their outstanding differences.

• (1250)

I want to say on the record on behalf of my party that we believe wholeheartedly in the collective bargaining process. We want to compliment the participants in the process for coming together with Justice Gold and agreeing on many—I want to underline—many of the outstanding matters that were previously between the two parties.

I think it is important that we recognize that, and applaud the parties and also Justice Gold who tried to consummate an agreement.

Events prior to the appointment of Justice Gold made it in our view very difficult for the parties to consummate a collective agreement. There are many reasons why.

We have the example of management saying to workers with regard to monetary issues and job security that certain things could not go their way. On the other hand, we find that the monetary increases for the president of Canada Post, for the job security of the president of Canada Post were very rich and very rich indeed.

I do not know the exact amounts. I do not have the Order in Council before me, but I am led to believe that it is in the magnitude of $100,000 in terms of salary increase.

Mr Speaker, I want to say to you as the arbitrator, as the individual who is impartial in this Chamber and has the respect of all members, that as much as I respect and admire the Chair, I could not understand or see myself voting in favour of a $100,000 raise for the Chair.

Now, we have the president of Canada Post who is going to get a sizeable increase. There is a colleague in my caucus who phrased it quite well. It is pay-off for

lay-off. We also have the situation with regard to the proliferation of closures of rural post offices across this country.

I know members opposite do not really care about rural Canada. They do not really care about those communities, whether they be in Ontario, Quebec or western Canada or in Atlantic Canada. This was another example of the government's economic agenda through the agency of Canada Post which made it very difficult for the parties to consummate an agreement.

The government has had direct involvement in this process because it has been pulling the strings. It has been pulling the strings all along. It was not the Canadian Union of Public Employees which moved an Order in Council to increase the salary of the president of Canada Post.

It was not the union nor its representatives who moved a motion or an Order in Council to give a substantial bonus to the president of Canada Post, was it? It was the members opposite.

The government House leader is the minister responsible. The Minister of Labour must bear part of the responsibility, and of course other things have come into play. They are indirect but in another way it could be argued they affect directly the negotiation in terms of the proliferation of taxes and inflation in the high dollar. What do working men and women do in those kinds of situations?

They have to seek monetary increases. They have to seek some degree of job security for their memberships and the families of those memberships. I know all members, notwithstanding their political partisan stripe, would have to concur that that is a very, very important aspect of the collective bargaining process. It became very difficult, if not impossible. We realized shortly thereafter that it would eventually break down.

There are serious discussions of individuals who have brought to my attention that perhaps the government while negotiations were proceeding wanted to have this particular strike. I do not know how authentic that is, but it is certainly an aspect that we must give serious consideration to.

My colleagues in debate, both in this particular debate as well as in previous debates, have mentioned on the floor of this House that perhaps a commission of inquiry ought to take place with regard to the outstanding grievances at Canada Post that go back for some time and that are disturbing, not only to union representatives and their employees, but I would suspect to middle management of Canada Post, and certainly to the Canadian public.

We need to have an airing of those concerns. We have to breathe fresh air into a process which seems to have broken down. If that is not followed through with, I suggest that we are going to have continual difficulties with that Crown corporation. We are going to have individuals feeling unfairly aggrieved in the process.

I would hope that the minister would give due consideration to the recommendation and the plea that we have made repeatedly on the floor of the House of Commons in terms of a commission of inquiry in order to resolve, once and for all, the problems at that particular corporation.

I cannot allow this opportunity to pass without making reference to some of the words which were echoed in this Chamber by the minister responsible for Canada Post. He said earlier this week, and I believe late last week, that Canada Post was the most efficient postal facility in the world.

What he has failed to tell the Canadian people is of the large number of Canadian businesses which have opted out of Canada Post and which are using private couriers in this country. He has failed to say on the floor of this House of Commons how certain institutions are being affected. I am going to give one example which has come to my attention within the last 24 hours. Medical schools in the province of Ontario have had to place the following words in their application form for the purposes of applicants: "Due to the slow delivery of mail, candidates are advised to submit their application several weeks in advance of this date. Registered mail or courier service is advised if a receipt is required. Collect courier deliveries will not be accepted."

So much for the minister's puffery about efficiency. We have an example here in Canada of medical schools in the province of Ontario saying to applicants: "If you are going to mail in your application, make sure you do it umpteen weeks in advance".

I find the comments of the minister opposite to be ludicrous. I also suggest a very impolite term, not one that I would subscribe to but it has been subscribed to me by others. This is very misleading for members of Parliament to be told this puffball story by the minister responsible.

My colleague, the critic, and his colleagues who have worked diligently with regard to this particular situation were co-operative throughout the piece. We made a recommendation last night in committee with regard to strengthening clause 7 to enable the arbitrator, whoever she or he may be, to enter the deliberations without having a hand tied behind their back. Unfortunately the minister did not see fit last night to accept clause by clause word by word our amendment. But I think he has gone a long way today to accept the intent, the pith and substance of our amendment last night. That is why we on this side have concurred whole-heartedly with the amendment and that it should be passed as it relates to clause 7.

• (1300)

There is no question about the difficulties between the two sides. That has been given in evidence by many speakers. We also have to talk about the public interest. Is the public being served? Will the public be served by a strike across this land? Will it facilitate business? I am not talking about the business cronies of the Minister of Labour who happen to live in the plush regions of the country. I am talking about the small business person who happens to be in northern Ontario. I am talking about the small business which happens to be in Regina, in Gander, Newfoundland, in Nova Scotia or Kenora—Rainy River. Will they be served if there is a strike? The answer is no. I do not think they will be served.

I would hope that this serves a lesson to the government and the political masters of Canada Post Corporation. This could all have been avoided if the government had seen the way it has provoked labour over the last number of years. It is not just through the collective bargaining process. You cannot look at that in isolation.

As I said earlier, there are a number of factors that compound the collective bargaining process whether it be the proliferation of taxes, the elimination of job security for employees which is involved in the collective bargaining process, the monetary elements or the non-monetary elements. This government, in my view, has done a terrible job. I am sure the Minister of Labour in a quiet moment in his study would want to reflect on what I am going to say and perhaps even agree that his government up to the present has been extremely incompetent in managing labour and management issues in Canada.

The Minister of Labour will stand in his place and say: "Oh, yes, but there have been in excess of 80 to 90 collective agreements signed in this country". That is true, but I make reference to the Public Service Alliance of Canada over which he has direct control. They have a great measure of control with regard to the Canada Post union employees. What has happened in those incidents is that we have seen time and time again that the collective bargaining process has broken down.

We believe that this could have been avoided. Notwithstanding that case, I have to say that we will be supporting this legislation on third reading because we believe it to be in the public interest. The minister should not think for one moment that we concur, we consent, we applaud in any way whatsoever the way in which this government has conducted the whole of labour-management relations in this country, and particularly as it relates to Canada Post. I want to make that perfectly clear.

There is clearly a public interest here, as I am sure the minister will want to attest to, and that must be met. We in this party will not be irresponsible. We believe that the parties must come together with the arbitrator and resolve these the outstanding matters expeditiously and fairly. We must keep in mind the undertakings that have been given by the Minister of Labour to the representatives of the Canadian Union of Public Employees as well as senior members of management to do that fairly.

I want to say in conclusion that we will be supporting this bill on third reading because of the public interest.

In no way do we accept, in no way do we acknowledge, in no way would we applaud the behaviour of the government in its efforts to bring labour and management to the table in an environment which is conducive to having collective bargaining in this country. It is very important across the land to bring them together in order that they may consummate their agreements without the involvement of the national government.

[*Translation*]

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, on third reading of Bill C–40, I would like to start by thanking the Leader of the Official Opposition for his party's support for this legislation. Mr. Speaker, as you know it is never a pleasant task when a Minister of Labour has to table special legislation to end a labour dispute. However, I believe this is an exceptional case. As you know, the collective agreement expired on July 31, 1989. At the time, the Department of Labour appointed an experienced conciliator, Mr. Courchesne of Montreal, in an attempt to bring the parties closer together. Unfortunately, after more than 60 meetings involving Mr. Courchesne and the parties in question, no agreement was reached.

Subsequently, the Department of Labour appointed a conciliation board, with Mr. Desmarais as the Postal Union's representative and Mr. Arnold Masters for Canada Post, the employer. Both parties agreed to appoint Mr. Marc Lapointe, a distinguished Canadian and former president of the Canada Labour Relations Board, as chairman of the conciliation board. The board met and sat for nearly 23 months. It held over 70 meetings and made considerable progress, but was unable to persuade the parties to reach an agreement. At this point, the government could either introduce special legislation or make further efforts to try and get the parties together, and that is what we did. I got in touch with the person I consider to be the best mediator in the country, the Chief Justice of the Quebec Superior Court, Judge Alan B. Gold. Judge Gold's experience in a number of areas, including labour relations, is extraordinary, and he has settled a number of major labour disputes in Canada in the past. Judge Gold met the parties for nearly seven weeks. When the judge finally withdrew from the mediation process, he argued that even if he decided to stay on, he did not think the parties would be able to reach an agreement.

[*English*]

Therefore, the government has gone the extra mile in this dispute by first appointing the conciliation commissioner, the conciliation board and the best mediator in Canada, Judge Gold.

At the beginning of this dispute I understand that there were 310 issues that separated the parties; 260 of them at the request of CUPW and Mr. Parrot, and 50 of them at the request of Canada Post.

I am told that in the three stages the conciliation commissioner, the conciliation board and the mediator settled and agreed upon over 90 per cent of the items in dispute. This bill covers the items on which they could not reach an agreement. I have been told by both sides which ones cannot be agreed upon.

In all fairness, I have heard both sides of the issue separately from the parties. I feel that maybe with a little more effort some of these issues could be settled. I also understand that on one issue they are far apart and it appears to be extremely difficult, if not impossible, to settle.

• (1310)

Having considered all that, I have come to the conclusion on behalf of the government that the way to settle the issue would be through Bill C–40 which would provide for the appointment of an arbitrator to impose the things they cannot agree on. They cannot agree on a number of issues, not because they do not negotiate in good faith, not because they are not sincere, I believe they are sincere. I do believe they negotiated in good faith and I was told by Judge Gold that they did negotiate in good faith.

If you consider that, I feel the bill that we have here, including the amendment that this House agreed to this morning, is a fair and reasonable bill and once it becomes law it will put an end to the dispute.

I do appeal at this time to Mr. Parrot, the president of the Canadian Union of Postal Workers, to have his people back at work. This has been going on for 23 months. I do understand and he kept his word. We did get the 24–hour notice for a strike. I understand now that some people are on strike across the country, but it is not the case in all places. With the co–operation of this House and with the co–operation of the other place, we will have this bill as law hopefully by the end of the day. I do appeal to him on behalf of the people of Canada to have his people back to work later tonight.

Mr. Rod Murphy (Churchill): Mr. Speaker, on behalf of our caucus and especially our labour critic, the member for Mission—Coquitlam, I think it is very important to understand the process that has been going

on for the last couple of days outside of this House and inside of this House.

When the mediation broke down late last week, we recognized that there still was an opportunity for the parties to get together and try and resolve the dispute. Both parties to the collective agreement had press conferences indicating that they had come very close to an agreement. I, for one, think that the efforts undertaken by the minister and others to have the two sides get together on the weekend, even though they did not come to an agreement, were useful because it did give them a chance to air some of the issues that were still in dispute.

I think that process has helped with what happened yesterday and earlier today in this House. We have an indication, as a result of the amendment that the minister agreed to and introduced into this House earlier today, that there can be a quick settlement to this dispute. It is my understanding that even prior to the legislation passing the Senate that Jean-Claude Parrot is going to ask his members to return as soon as they can.

That does not mean that it will happen instantaneously. We have a number of different time zones and we have a number of different shifts for postal workers right across this country, but I think it is an indication of good faith that the union is not waiting for the legislation to pass the Senate but is taking all the possible steps to try and have its members go back to work. I applaud them for that move.

We will not support this legislation because we have some fundamental disagreements with items that are in the legislation. We also have a concern with the government's corporate agenda. Even though that is not in the legislation, that is cause for a lot of the disputes that have occurred in the Public Service this year. The agenda of privatization, the agenda of contracting out, the agenda of reducing the level of services to Canadians right across this land has meant that we have had more Public Service strikes in this last year than we have had in the last five years. It has meant that four of the last 40 pieces of legislation that have been introduced into this House of Commons have been back to work legislation, 10 per cent of the government's entire legislative package over the last few months. The two parties did come very close to an agreement. It was very important that in the legislation that will pass this House in a few minutes that the amendment the minister brought forward was introduced.

There was a danger, and I do not think it was a danger purposely put there by the government, but there was a danger that we would have had a clause that would have really tied the hands of the arbitrator. We would have been in a situation under the previous wording where the arbitrator, if he could not find agreement on the items dealt with through mediation, would be forced to go to the conciliation board report and recommendation.

As proof of that, almost immediately Canada Post wrote a letter saying that it withdrew all the offers it had made since August 23, 1991. In other words, it was basically trying to force the arbitrator's hand to go back to the conciliation board report. That meant that we would have lost all the progress that had been made on major issues in the last two months; progress on child care, pensions for part-time employees, agreement on a wage package. In addition to those items, the two parties had worked and had come to an agreement in principle on a number of items dealing with issues and job security to the number of casual workers. Those were very important for the future peace in Canada Post.

It is important that that work not be lost. It was very important that in committee last night and in the House today the minister made it clear that whoever is chosen as an arbitrator must look at the work that was done in mediation and post mediation. That work is too important to be lost. It is very clear as a result of the amendment we have now and the speech by the minister that that is the primary goal of the arbitrator.

Yes, look at the conciliation board, but do not stop at the report of the conciliation board. Take advantage of all the agreements that have occurred since the conciliation board made its report on August 16. It is not only good news in terms of the fact that we will have a very short strike, but it is good news in terms of the long term peace and security and service within Canada Post.

I applaud the minister for being flexible. I applaud both parties for the work they have done to make this possible. I regret that we did have to introduce back-to-work legislation, but that is a result as I said earlier of the government's political agenda.

At the same time, what has happened in this House and what has happened over the last two days outside this House in committee meetings and meetings my colleague from Mission—Coquitlam had with the minister that we have achieved the best deal possible. I would hope the two parties can work to resolve the outstanding issues in very short order.

Also, it is important, as the minister indicated in his speech today, that Canada Post and the Canadian Union of Postal Workers meet early to make sure that the wage settlement that had been agreed to over the weekend be put into place quickly. These employees have already waited two years, since their collective agreement expired. We know that the arbitration process could take, three, four, five or six months. I do not think it would be fair to the employees to have to wait that long to get the pay increase that had been agreed to in committee.

We look forward to the end of this debate.

[*Translation*]

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, on a point of order.

The Acting Speaker (Mr. Pronovost): The hon. member for Hull—Aylmer, on a point of order.

Mr. Rocheleau: Mr. Speaker, before the question is put to the members of this House, I have a few comments. I agree that the government should act as quickly as possible to settle this dispute and allow the arbitration process to proceed. However, Mr. Speaker, there is an important point I would like to make. In the Outaouais region, there was an attempt recently to close three sortation centres in Hull, Gatineau and Aylmer.

• (1320)

Mr. Speaker, I would like to point out —

The Acting Speaker (Mr. Pronovost): Order please.

The question has been put, and if the hon. member wishes to speak during the period for questions and comments, he is free to do so, but when I put the question, I did not recognize the hon. member for Hull—Aylmer. Now if the hon. member wishes to speak during the period for questions and comments or during debate, he is free to do so.

I would therefore ask the hon. member for Hull—Aylmer to let me know now if he wishes to speak in this debate.

Mr. Rocheleau: Yes, Mr. Speaker, I do, but I will not take up all the time of the House.

The Acting Speaker (Mr. Pronovost): All right. Questions and Comments? Resuming debate. The hon. member for Hull—Aylmer.

Mr. Rocheleau: Mr. Speaker, I heard government members criticizing the opposition, although the opposition parties have more or less agreed to let the legislation go through as soon as possible. I have no intention of delaying the process, Mr. Speaker.

However, we could start asking some serious questions about the way the government acts, especially last week, or should I say a few weeks ago, when we had to pass legislation to force public servants back to work. Today, it's the postal workers' turn, and we have to proceed with a bill to impose compulsory arbitration.

Mr. Speaker, one wonders about the irresponsible way this government handles government administration. In this respect, I would like to point out that only a few months ago, people in the Outaouais were being told that a number of sortation centres would be closed, including the centres in Aylmer, Hull and Gatineau. Thanks to the power of persuasion and the support we gave the union and the postal workers, those sortation centres remained open, Mr. Speaker, and we have every reason to be proud of the fact.

However, when the president of Canada Post receives bonuses totalling $130,000— I think it is outrageous, Mr. Speaker, to give someone who already gets a large salary a bonus for doing the government's dirty work.

Mr. Speaker, once again, I do not intend to hold up the process. I am aware that the opposition parties have agreed to shorten their speaking times so the government can get its legislation through the House. I can agree with that because after all, we cannot let a postal strike go on forever, especially when we know that Canadians and Quebecers need Canada Post.

Mr. Speaker, I repeat that the way the government proceeded was totally irresponsible.

[*English*]

The Acting Speaker (Mr. Pronovost): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

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

[*Translation*]

And the bells having stopped ringing:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(5)(*a*), the acting chief whip of the opposition asked me to defer the vote until later.

Therefore, pursuant to Standing Order 45(5)(*a*), the recorded vote on the question now before the House is deferred until 3 p.m. today, when the bells will be rung for at most 15 minutes.

[*English*]

Mr. Angus: Mr. Speaker, on a point of order, I am not sure what the real time is on the clocks. They have been playing with them all day, but I think you might find a disposition for the House to call it 1.59 p.m.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Mr. Dingwall: Mr. Speaker, on a point of order, I think perhaps it might be more appropriate to suspend the House until two o'clock as opposed to calling it 1.59 p.m.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): The sitting of the House is suspended until two o'clock this afternoon.

Sitting suspended at 1.26 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

ESTABLISHED PROGRAMS FINANCING

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, the Conservative government has struck yet another severe blow to the Atlantic provinces by slashing equalization payments.

In New Brunswick alone this Conservative policy translates into a loss of over $100 million.

[*Translation*]

Need I remind the government that equalization is a right guaranteed by the Constitution so that provincial governments can provide nearly identical public services?

[*English*]

The Conservative government has argued that equalization payments had not been slashed but that they were being allocated according to its funding formula. If that is the case, then I suggest that the government go back to the drawing-board and redesign this formula.

The truth is that regional disparities have risen under this government and that the economic stability of the Atlantic provinces has been undermined consistently as a result of Conservative policies.

[*Translation*]

Therefore, I urge the federal government to rethink its policies so that all Canadians can continue to have access to programs that meet national standards.

S. O. 31

[*English*]

UKRAINIAN CANADIANS

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, this year is the 100th anniversary of Ukrainian immigration to Canada.

This is why they came: a country full of oppression, a village full of poverty, a household of despair.

This what they left with: a passport of desire, two arms full of farewells, many eyes full of tears, a trunk full of possessions, a heart full of faith.

This is what they experienced: a wagon full of courage, a trail of determination, two arms full of strength, many hands full of pain, many a fork full of toil, a barrel full of sweat, a rack full of patience, a truck full of sacrifice, a tub full of disappointments, a pail full of tears, an axe full of anger, a bushel of grief, a lifetime of dreams, a heart full of love, a soul full of faith.

Their contribution is colossal. Western Canada has developed and prospered due in large part to these great Canadians.

On behalf of the House of Commons may I say thank you.

* * *

TRUCKING INDUSTRY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, this week it has become known that Canadians will be denied the environmental and economic benefits of new clean running diesel engines which will be introduced in the United States in 1994 because Canadian refiners cannot guarantee an adequate supply of the cleaner fuel for these engines and because Canada cannot decide whether to go ahead with production of low sulphur fuel.

Instead, Canadian trucks and buses will continue to use outmoded engines which produce five times more harmful sulphur pollution. This means that Canada will be stuck with older engine technology which will not be transferable in the used vehicle market.

It means that Canadian truckers once again will find it even more difficult to compete with business south of the border. Their vehicles will in fact be unusable in the United States. Canada does not manufacture its own diesel engines. Most diesel engines are imported from the U.S., and we will not be able to use the new engines because we cannot guarantee the fuel supply. This will cause tremendous problems to the Canadian trucking industry.

It is therefore vital that the government act immediately to ensure that Canadian truckers can survive.

* * *

[*Translation*]

PUBLIC SERVICE ALLIANCE

Mr. Vincent Della Noce (Laval–Est): Mr. Speaker, yesterday I heard Pierre Pascau interview Johane Hurens, vice–president of the Public Service Alliance of Canada, on CKVL in Montreal. During the nine–minute interview, she repeated publicly that the union would crack down and cut services to its 5,000 members who worked during the strike. Like many people, I could not believe my ears. Johane Hurens said:

—we have fines to convince people—it is a way to get back at them.

Mr. Speaker, that is reminiscent of the Dark Ages and the methods often used by organized crime, of arm twisting and the Inquisition. Nevertheless, the union will continue to collect dues which will become, I suppose, the ransom paid by these public servants who were loyal to the state and thus become the Alliance's hostages.

I therefore call upon these public servants not to be intimidated by this shameful blackmail, for serving the Canadian people is no crime. I hope that the government will not let them down; I personally promise to defend their rights here in this House and I am at their disposal.

* * *

[*English*]

CHILDREN'S SYMPOSIUM

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the symposium "Canada's Children: The Priority for the '90s" began yesterday, continues today and will end tomorrow.

Over 500 of this country's child experts are in Ottawa this week pooling their knowledge to better the lives of our children.

I salute the participants and the sponsors of this important national initiative. It addresses six areas of concern: health, welfare, poverty, families and child care, education and law.

World leaders including Canada's made a great promise a year ago to address those same concerns and thereby end child deaths and promote the well-being of children.

Today children need action to realize that great promise. I urge all colleagues to visit the child symposium, speak to the people there and learn from them.

Afterward I hope we can all come back to Parliament and work together for our children. Let us muster the political will and adopt the principle that children should be the first to benefit from our nation's success and the last to suffer from our nation's failure.

Canada's humanity and future should be tested and shaped by how Canada's Parliament protects and cares for our children: *les enfants du Canada*.

* * *

CYPRUS

Mr. Gus Mitges (Bruce—Grey): Mr. Speaker, addressing the 46th UN General Assembly, Cypriot President George Vasiliou stressed his government's commitment to keep striving for a just and viable solution to bring peace and security to Cyprus.

Recent UN efforts to reunite the divided island of Cyprus and settle the 17-year dispute have failed because of demands unacceptable to the UN posed by Turkey and Turkish Cypriots.

The continuing presence of Turkish troops in Cyprus has served to further exacerbate the problem.

President Vasiliou also stressed that differences must be settled by peaceful means and that democracy and strict adherence to the respect of human rights could be the basis of a solution providing for a united federal Cyprus which would demonstrate that differences could be bridged and trust repaired.

I believe the time has come for Turkey to abide by UN resolutions and get out of Cyprus. I believe as well that the world family of nations needs to create a system of making acts of aggression no longer possible and to reverse similar situations that unfortunately still exist in the world today.

* * *

CANADIAN DIABETES WEEK

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, Friday, October 25, marked the kick-off of Canadian Diabetes Week.

Currently over one million Canadians have diabetes. Every year 60,000 new cases of diabetes are diagnosed in Canada and about one in twenty Canadians can expect to develop diabetes some time in their life.

Although more people suffer from diabetes than any of the other currently non-curable diseases, the amount of money given by the federal government for research into the disease is falling behind.

We can only respond effectively to the challenges of diabetes if we understand the issues, risks and options. I believe that we as parliamentarians have a responsibility to participate in this learning process and to encourage this government to put more money into research for diabetes.

Hopefully with awareness and information the risks associated with diabetes can be reduced. Continued basic research will one day lead to a cure, but it will require a commitment from all Canadians to participate in whatever way we can to assist the Canadian Diabetes Association and the people suffering from diabetes.

* * *

[*Translation*]

MEMBER FOR EDMONTON EAST

Mr. Gaby Larrivée (Joliette): Mr. Speaker, most people in my riding of Joliette, as well as in the rest of Quebec, still hope that we will find a constitutional agreement that will be beneficial and honourable for all regions of Canada. Lately, we have noted among Canadians a willingness to dialogue, perhaps for the last time.

Yet, Mr. Speaker, I learned yesterday that the New Democratic member for Edmonton East stirs up passions with disturbing or ill-considered decisions, such as not inviting the French Canadian Association of Alberta to participate in his activities on the Constitution. Mr. Speaker, I want to denounce this hypocritical attitude of

the NDP, which claims to promote the building of a united and prosperous country, while at the same time not hesitating to reject outright the legitimate aspirations of Francophones in Canada. There is nothing constructive in this attitude when we are trying to build a country.

* * *

[*English*]

PEEWEE HOCKEY

Mr. Rod Murphy (Churchill): Mr. Speaker, members of this House may have heard a news story that ran this past weekend well entitled *Indian Players are not Welcome in Quebec City*.

A peewee hockey team from Thompson in my riding was told it could not be billeted with white families during the Quebec International Peewee Hockey Tournament because there were six native players on the team. The native players were told they must stay at a native village near Quebec City, while white players could stay with white families.

The comments made by the president of the Quebec International Peewee Hockey Tournament are alarming and insulting. He has demonstrated an abysmal lack of respect for our aboriginal peoples. He has reflected a complete misunderstanding of a modern Canada that is proud of all its peoples. His remarks are totally out of place at a time when national unity is needed now more than ever.

• (1410)

The Minister of State for Fitness and Amateur Sport must step in. He should investigate whether this tournament received any indirect support from the Government of Canada and he should seek an apology to native peoples from each of the team members and their families.

Some hon. members: Oh, oh.

Mr. Murphy: I really object, Mr. Speaker, to the attitude of certain Bloc members in this House on this very serious issue.

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, the recent $800 million federal farm aid package was welcomed by Saskatchewan farmers. Unfortunately leaks by some members of the third line of defence committee suggest that the committee will recommend distribution of these funds on the basis of seeded acres only.

Such a method of payment is grossly unfair to tens of thousands of producers in Saskatchewan for whom summer fallow is a very necessary and sound cropping practice. The land across much of southern Saskatchewan is suitable only for cereal production and does not lend itself to diversification.

These producers are hardest hit by the ravages of the international grains trade war. I therefore urge the Minister of Agriculture to recognize the plight of farmers in southern Saskatchewan by providing a partial payment on summer fallow acreage.

* * *

[*Translation*]

THE MONARCHY

Mr. Gilles Duceppe (Laurier—Sainte Marie): Mr. Speaker, these days, Prince Charles, Princess Diana and their sons are in Canada.

I find it unacceptable that Quebecers have to foot the bill for this visit, especially after the statement made by the Prince of Wales on the Quebec question. He would be better advised to look after the problems in Ireland, Scotland and Wales.

The monarchy is an outdated, undemocratic system that we could easily do without. At a time when thousands are unemployed, on welfare and homeless in Quebec, our taxes are used to receive the royal family.

* * *

[*English*]

"THE NEXT STEP"

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, women and children facing domestic violence need somewhere safe to go. In 1988 the government introduced Project Haven to fund the capital costs for emergency shelters. It is important for women to have somewhere to go upon leaving these short-term shelters.

I am happy to say that this government has responded to this need with a program called "The Next Step". This program focuses on the development of interim accommodation for abused women and their children. Here they are encouraged to live independently in a secure and comfortable environment, supported by the community.

Secure housing is a critical step in protecting women and children who have left abusive relationships. Congratulations on this initiative.

* * *

SMALL CRAFT HARBOURS

Mrs. Coline Campbell (South West Nova): Mr. Speaker, within the last 24 hours the people of Tiverton, Nova Scotia have seen a storm that caused one lobster boat to sink at its moorings. The storm has driven two others ashore and pushed a fourth out into the harbour dragging its mooring.

Because of the demand for spaces fishermen have been asking for an extension to the Tiverton wharf for many years. At one time the Tiverton extension had a high priority. However, this government has no policy to extend or repair existing structures.

Mr. Speaker, this is a very serious matter, as I am sure you are aware. Replacing or repairing their boats will be expensive for these fishermen. Their lobster season could be over before it even begins, all because small craft harbours has no money to provide for adequate structures along the coast of South West Nova.

I call on the Minister of Fisheries and Oceans to look into the wharf extension at Tiverton immediately and provide small craft harbours with money.

* * *

FRASER RIVER DEBRIS CONTROL PROGRAM

Mr. Stan Wilbee (Delta): Mr. Speaker, again it is important to bring to the attention of the House that the question of funding for the Fraser River Debris Control Program has not yet been resolved and that this very valuable program is in danger of collapsing.

It is ironic that we are able to find $100 million for new projects on the Fraser but cannot find the $180,000 to maintain an existing, cost effective, valuable program that is already functioning well. Everyone using the Fraser River, such as tow boat operators, fishermen, hunters, pleasure boat operators, and all of the Fraser Valley municipalities support the continuation of this important program.

I call on the ministers of transport, fisheries, forestry and the environment to get together and resolve this problem as soon as possible.

* * *

VIA RAIL

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, VIA Rail is currently advertising a 33 per cent off seat sale for its service between Vancouver, Kamloops and Toronto.

I applaud this measure by VIA to promote its service, but regretfully VIA has not decided to offer the same package on the Skeena route, a service between Prince Rupert, Prince George and Jasper. In fact the government has yet to decide on the future of this remote service.

VIA should promote the Skeena and offer the same seat sale on that run. The government should make up its mind and tell northern B.C. that the Skeena will be saved and promoted.

This government should take a look at the train today.

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is to the Right Hon. Prime Minister. This morning, a presentation was made by two ministers, who told us things that Canadians have known very well for a long time, namely that Canada has trouble competing internationally and that we are going through a crisis.

Could the Prime Minister tell us if the government has other techniques to get us out of this crisis than to set up yet another study group that will spend money to find

solutions for the government, solutions that should have been found in the last seven years?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my hon. friend is very well aware of the success that we have had in getting interest rates down close to 6 percentage points since the peak of last year. That is generating support for the housing industry and for automotive industry.

We are seeing now in the broader economic numbers that the strength in those industries is encouraging growth in other industries. We are making progress.

I think what is important for us as Canadians to do here—and it is the primary objective of this initiative that my colleague, the Minister of Employment and Immigration, and I announced this morning—is to draw people's attention to the important challenges that we have in continuing the growth and the prosperity that we have had in the country over the last number of years.

That will be found in a greater focus and a greater understanding of the opportunities in research and development, in learning and education, in investment and in improving the performance of our domestic economy, as well as putting all that together and doing better internationally.

That is the objective of the exercise and that is what we announced this morning.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I think the hon. minister would be well advised to look back to 1984 when he produced a document that was called *A New Direction for Canada* wherein he talked about all the same things they talked about this morning.

This morning the minister said these very enlightening phrases to the Canadian public: "We have one of the highest high school dropout rates in the world: 30 per cent compared to 2 per cent in Japan". The minister said: "We face a critical shortage of scientists and engineers". The minister said: "We rank 20 out 24 in the efficacy of our training programs". The minister said: "Canadian companies spend only one-half of what the American companies are spending on training".

This is a condemnation coming from the benches of the government.

I would like to know from the minister or the Prime Minister when we will see action after seven years of failures as admitted by the two ministers this morning.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, the hon. Leader of the Opposition has referred to the agenda for economic renewal and in that we talk about the same things there as we are talking about today.

Let us look at what has happened in investment. Time and time again we hear from the hon. member about the investment encouragement that we have provided through the reduction in the change of taxation for small business, the capital gains exemption for small business, the change in FIRA to Investment Canada to encourage investment by foreigners in Canada and the research and development challenge, what we have done to lighten the load of research and development expenditures for small business through the research and development tax credit.

Under our leadership Canada has the best regime for research and development taxation privileges as any other country in the world. The productivity challenge, what we have done to—

• (1420)

Mr. Speaker: I think we will have to move on.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like the minister to talk to the 1,500,000 Canadians who are looking for jobs today. I would like him to talk to the scientific community in Canada today about research and development and he will hear something very different.

These people will be asking the minister why the government will spend another $20 million on consultants and on advertising when we need money to solve the economic problems of the nation.

When will we have that priority first and foremost?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, what my hon. friend ignores totally is the fact that since 1984 Canada has had the best job creation rate of the industrialized countries.

Let us look at the bottom line and understand what is going on here. The primary objective of this exercise is to draw together a wide ranging number of points of view on how we can do better on research and development, how we can do better on learning, how we can do better on investment, how we can do better on reducing the barriers between the provinces and how we can do better internationally.

I have not heard the views of the hon. member opposite, but we are trying to get the steering group to draw together all of these views into a national consensus.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, this minister ignores reality and the reality is that this government has slashed education transfers totalling $9.5 billion over eight years. It has frozen student loans and taxed those loans for the first time in history.

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. member could put his question.

Mr. Tobin: Mr. Speaker, this government has taxed books and other educational materials with the GST and is spending only $4.40 per year on each illiterate person in the country.

My question is for the Prime Minister. Can the Prime Minister give me and any member of this House even one reason why Canadians should now believe this government when it says it is moving education to the front of the national agenda.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will be happy to. In the documents tabled today by the two ministers there is a very clear indication that in Canada our total educational expenditures as a percentage of GDP rank the third highest in the industrialized world.

A few years ago we were spending more money per capita than any industrialized country except Sweden, yet we were not getting the results in the areas my hon. friend raises.

High school dropouts pose a serious problem. Illiteracy is a very serious problem. Productivity growth is a very serious problem in Canada, which is why the minister is seeking to bring together labour, management, the private sector, voluntary organizations and the federal and provincial governments into one national commitment to try and get rid of illiteracy, to try and improve our productivity, thereby strengthening the national wealth of Canada.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, this government has launched a $20 million trick or treat on Canadians. It is a trick on Canadians and a treat for the government's advertising and consulting friends.

Why should Canadians believe the government is seriously interested in training when the same government has cut transfers over eight years by nearly $10 billion and has penalized students with a tax on student loans.

If the government wants to spend money wisely, stop this regressive tax on student loans and do it today.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, first of all let me say to the hon. member that the numbers he is using are not correct. We have been increasing the transfers to the provinces for education.

When the hon. member uses expressions like trick or treat, let me say to him that Canadians are fed up to here with that sort of cute political phrase.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Today his government tabled two papers on competitiveness and prosperity and the need for more education, more research and development. I think most Canadians would agree that if there was a report card on this government, it would get a clear "F" on both competitiveness and prosperity.

I want to ask the Prime Minister this question. In these papers it assumes that the GST and the Canada–U.S. trade deal are the cornerstones of this government's policies. Since the introduction of the Canada–U.S. trade deal we have not had an objective assessment tabled in this House on the trade deal or the GST. Will he do that and show us objectively the results of the programs that he has put forward?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, concerning the free trade agreement with

the United States, since 1988, the last year before the free trade agreement came into play, our surplus with the United States—that is the excess of our exports to the United States less our imports— has gone up by $3.5 billion. We have seen our exports to the United States go up by $8 billion, or close to 8 per cent.

We have also seen in August the level of exports to the United States at an all-time high.

Surely my hon. friend cannot deny the impact of those figures. Those figures say that the bottom line performance of the Canadian economy has been positive in the area of trade since the start of the free trade agreement.

Hon. Audrey McLaughlin (Yukon): A supplementary question, Mr. Speaker.

The million and a half unemployed and those others in society who are suffering, the over one million people on social assistance, do not see those results.

Consultation is part of the presentation by the government today. There have been many very recent reports, including those by the National Advisory Board on Science and Technology, the Canadian Federation of Students *Strategy for Change* Royal Society of Canada on the need for more research and development, Action Canada Network centre for policy alternatives, on the kind of economic and research and development policies that are needed.

I note that in the consultation process the Prime Minister and the minister are suggesting that the head of the steering committee will represent organizations funded by mostly multinational corporations.

Will the minister replace one of those co-chairs by a representative, for example, from the National Poverty Organization to show Canadians that he is really prepared to listen to all Canadians on the future agenda for Canada?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think my hon. friend is well aware of the fact that we had some other proposals in mind some weeks ago as to how we would proceed with the steering group. We offered one of the co-chairs to the Canadian Labour Congress. I am sorry that it did not see fit to participate in the steering group but I hope that we will hear the voice of labour through a number of other ways during the course of these negotiations.

My hon. friend talks about Mr. McCamus, one of the co-chairs. Mr. McCamus was born in Ontario. He is the president and chief executive officer of Xerox Canada. She is right there. But he was there when the first ever gold award for quality was won by that company from the Canadian government. He is the founding chairman of the Information Technology Association and is currently the chairman of the Corporate Higher Education Forum. We believe that the qualifications of Mr. McCamus, a passionate Canadian, are well suited to be the co-chair of this steering committee.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, a supplementary question.

What I was asking the minister was simply to make sure that the message sent to Canadians was that this government is prepared to listen to all Canadians. It would be done by putting a co-chair of that committee representing other aspects of society.

• (1430)

[*Translation*]

Mr. Speaker, my question deals with another topic. The Prosperity Secretariat will cost $7.5 million. For the unemployed, the homeless and the poor, this government's answer is more bureaucracy. Why should these people have confidence in this government's prosperity agenda?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, this is not a bureaucratic exercise. This is an exercise that is designed to allow Canadians in 150 to 175 communities across Canada to feed directly into a process which will give them a say in how this country is run in the indefinite future. It will give Canadians an opportunity at the community base level to feed into a steering group which is not a government steering group, but a private sector-led steering group. It will involve people from social groups as well, so that the voices that she wants to have heard in this exercise will be heard.

I think this is a tremendous response to the concerns that Canadians have been expressing in recent years.

EMPLOYMENT

Ms. Sheila Copps (Hamilton East): Mr. Speaker, I guess that is the difference between the minister's party and our party. He wants to feed into steering groups. We would like to feed Canadians.

Given that there have literally been thousands of Hamiltonians laid off in the last two years as a result of his government's economic policies, can the Prime Minister tell me what I should say to the worker at Newman Steel who received his lay-off notice last week when there is not a penny for retraining programs for him, and yet this government has $20 million to pay for a Tory boondoggle. What should I tell the laid-off worker in my riding?

An hon. member: Don't vote Tory.

Hon. Bernard Valcourt (Minister of Employment and Immigration): The hon. member should first confess to this gentleman to having fought a measure which this government tried to introduce to provide training money for laid-off workers in Canada. She should do that first.

Then she could point to the agreement that was reached between CIC, the union and the employers in the steel industry which put in place mechanisms to retrain those people and help them to find jobs so that they can earn a living. This is what the hon. member should do for a start.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, while thousands are unemployed in Montreal, Matane and the Ottawa Valley, it is unfortunate that the government can find $20 million to set up a screen to hide its own incompetence when they don't have a cent for the unemployed. Mr. Speaker, how can the government find $20 million for its Tory friends but can't find a penny for the unemployed people in Montreal? Why is that?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it is incredible what some people will say for partisan reasons! The hon. member should recognize that this government will spend some $3,154 billion under the Canadian Jobs Strategy precisely to help the unemployed, and workers who must adjust to the globalization of the economy.

Surely the hon. member can find something in the numerous programs mentioned by Jean de Grandpré; there are 400 of them across the country. And let me tell you that the people in Matane, Montreal and Quebec know how to benefit from those programs.

* * *

[*English*]

THE ECONOMY

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a question for the minister of industry and trade. The government's document tabled today says that the focus of the consultations the government wants to have with Canadians will not be on economic issues, like the level of the Canadian dollar, but instead will be on other issues. It says, and I quote, "by the nuts and bolts of the real economy". Why does the government not think that the level of the Canadian dollar is part of the real economy and why does the government not want to listen to Canadians for example exporters that want to tell the minister what the level of the Canadian dollar has been doing to them.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, we are not ignoring the level of the Canadian dollar. We are not ignoring some of the other policies like deficits or levels of interest rates, or anything like that.

What we have been hearing from the experts on competitiveness is that the true competitiveness of an economy is based on the way individual industries and individual people use research and development, use training, use investment, to compete in international markets.

That is what generates the competitive position of an economy. That is the focus of the consultations we are having, but that does not exclude other matters which Canadians want to bring in. We expect they will do that and we are certainly willing to listen and respond to any suggestions that are made.

Hon. Herb Gray (Windsor West): Mr. Speaker, my supplementary is for the same minister and I invite him to read the preface to his own document which sends a different message.

I ask the minister if, in what he has just said, he is not admitting, the government is not admitting, that for the

past seven years they have been ignoring what they now say only now are the nuts and bolts of the real economy. What excuse does the government have to offer Canadians for this astounding failure to recognize what is important along with the dollar and interest rates in terms of jobs and well-being for Canadians.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, we have not been ignoring the matters of learning. My colleague has talked about the substantial increase in the amount of spending that we have done since 1984 on retraining people who are losing jobs. We have not ignored the elements of research and development. We have introduced a number of policies to increase the amount of spending and increase the support for research and development.

The same can be said in trying to improve the performance of our domestic economy and also to expand our horizons to other markets, particularly through broadening our trading arrangements both with the United States and now with the multinational trade negotiations going on in Geneva.

All of these, if you look back—

Mr. Speaker: I think we should move on.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister has suggested that he is prepared to take seriously the messages which come from this consultation process.

Across this country 71 per cent of Canadians have indicated that they oppose the goods and services tax. I want to ask the minister if the government will follow what people tell them to do with the goods and services tax in these consultations.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I listened to my hon. friend this morning. I think we agree that we should be doing things to improve the competitive position of the Canadian economy.

I would presume that my hon. friend still agrees with that. He is not nodding because he knows that he does agree with that. The point is that the goods and services tax is designed to improve the competitive position of Canadian companies in the economy, both exporting and competing against imports. That is precisely the reason we brought it in, because the old tax was inhibiting exports and favouring imports against Canadian production.

Surely my hon. friend must realize the impact of that and the importance of bringing the GST in to improve our competitive position.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, there is no question that the goods and services tax has hurt small business in every part of this country because of the competition with the United States.

If the minister does not realize that he is blind. He says that he is going to take these consultations seriously.

• (1440)

I ask him to answer the question and to be clear. Will this minister and this government respect what people say to this government when they speak out against the GST in these consultations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me be very clear with my hon. friend. The objective of this exercise is to find ways that we can compete more effectively as a country.

If people say that they would like something done because it is nice to do but it does not improve the competitive position of the Canadian economy then, no, we are not going to accept that.

As to suggestions and recommendations on how we improve the performance of the economy, improve our competitive position, yes, we will listen very closely to those recommendations.

Mr. Jim Peterson (Willowdale): Mr. Speaker, in its 1984 agenda for economic renewal the government said: "We have a clear sense of economic direction. However we do not intend to act without seeking the opinion of all Canadians".

Today, seven lost years later, this government is still in the starting blocks. Will the government admit this prosperity document is proof of seven years of failed direction, failed commitment and failed leadership?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, during the seven years since we have been

in office this country has led the industrialized world in job creation.

We have been second only to Japan for a large part of that period in economic growth so how can my hon. friend say that these have been lost years? They have been years of great prosperity, but we want to ensure that we continue that prosperity.

I would suggest that my hon. friend, rather than look back and make these political points about the past, look forward to the future, look forward to how we can improve our performance in science and technology, in investment, and in research and development.

Mr. Jim Peterson (Willowdale): Mr. Speaker, the minister wants Canadians to forget the last seven years. His own document is testimony to his failure during that period of time.

Let me go back to the process. The minister said this morning that Canadians want to be consulted. This is the minister who would not listen to Canadian exporters and manufacturers about the level of the dollar. This is the minister who would not listen to Canadians about the GST and labour. His own document says they are one the key players in our economic future. He cannot even get labour to the table.

How can Canadians have any faith in this government or in this process?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my friend, the Leader of the Opposition, will recognize this quote because it is from him. He said: "We believe that market forces should continue to determine the appropriate exchange value for our currency. What we are doing as we have done consistently for the past eight years is to smooth out erratic fluctuations and the value of the dollar as they occur in the marketplace".

This is precisely the policy that this government has been following. Why does he rail away about the Canadian dollar when his leader has stated what the policy is and continues to be.

I just say to my hon. friend one more time: what we are looking for here is a productive debate on how we can put a firm underpinning under our standard of living. We are starting from a position of strength. We have the second highest standard of living in the world. We are number five in competitive position, but there are those danger signs on the horizon that are clearly set out in these documents.

What we want to achieve is a consensus, drawing on the ideas of the hon. member as well as all Canadians, on how we can improve our performance.

Mr. John Manley (Ottawa South): Mr. Speaker, I have in my possession a stack of reports that have been issued over the last five years by people like the Science Council, the Economic Council of Canada, Senate committees, House committees, task forces and working groups.

My question to the government is this. The reports all deal with the same questions that are in the documents issued this morning.

Has the government not read any of these reports, or does it dismiss all the answers contained in all these reports already prepared at taxpayers' expense? What is going on here? Why is there $20 million for yet another investigation of the same questions?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, there have been reports, a wide range of reports. My hon. friend has referred to some; the Leader of the New Democratic Party has referred to others. But there are differences in points of view. Might I suggest that there are even differences in points of view among my hon. friend and the member for Windsor West and the member for Winnipeg South West. There are differences within his own party.

We are trying on a national basis to reconcile those differences through this broad consultation process, drawing on experts in the field, in the steering group that will be bringing forward a national action plan with recommendations for the federal government, provincial governments, territorial governments, municipal governments and the private sector in all its capacities.

Mr. John Manley (Ottawa South): Mr. Speaker, what we are looking for from this government maybe is a point of view. There is nothing in this document that expresses any opinions about what direction the country should be going to solve its underlying problems.

Now that $20 million is on the table, what has happened to all these old reports? Is there nothing in them? Was that money wasted or is the new money wasted?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think the member will see in some of those reports that they recommended the goods and services tax. They recommended the free trade agreement with the United States. The Macdonald commission on the economy—

Some hon. members: More, more.

An hon. member: Why didn't you agree with that?

Mr. Wilson (Etobicoke Centre): For the hon. member to say that we are not listening to these reports or for my friend over here from Willowdale to say "act", we have acted but we also feel it is a good time to reflect on this range of reports, draw out a national consensus for a national action plan that we can all get behind as a country and in that way move on to greater heights across the country.

* * *

ENERGY EFFICIENCY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, although the energy efficiency bill given first reading this morning allows the Governor in Council to prescribe fuel efficiency standards for internal combustion engine vehicles—the greatest source of carbon dioxide and other greenhouse gases in Canada—the government apparently intends for the time being to set standards only for household electric appliances. In other words, they will regulate toasters but not trucks, tea kettles but not Cadillacs.

My question is for the minister of energy. When will the government prescribe internal combustion engine vehicles and set efficiency standards for them?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, on the latter point, as the Minister of the Environment also pointed out, we have already done that. We are going to look at further CAFE standards in terms of the auto industry.

I also refer, for example, to reports even today that the government apparently has made a decision on high sulphur diesel which is also not the case.

I say to the hon. member: thank you for supporting the energy efficiency bill as it goes. I want to discuss with him even further what other action we should take together.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, given this government's record since I got here in 1988, I would be happy to discuss any action.

Will the government at least take the simple action of proclaiming the Motor Vehicle Fuel Consumptions Standards Act passed by this House in 1982 and use it to set standards at least as stringent as those slated for introduction in the United States for motor vehicles?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I accept to some degree what the hon. member said in the question he just asked, that there has to be some co-ordination, some synergy, because of an integrated auto and truck market and production in the United States and Canada. We should be very close, if not lock-step, to those regulations in Canada.

Those who heard the question should take note that what he talked today about was the U.S. standards relating, for example, to the APA studies, and I accept that, whereas before he always raised California standards or even the new California standards. I would like to ask him: Which standards is he referring to?

* * *

• (1450)

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, my question is for the Minister of Agriculture who recently announced an $800 million farm aid package.

Comments by some members of the third line of defence committee indicate that a recommendation may be forthcoming from the committee for distribution of these funds based on seeded acres only. The minister will know that such a method of payment would be extremely unfair to thousands of producers across southern Saskatchewan for whom summer fallow is a very necessary practice.

Will the minister consider including some form of summer fallow acreage under the method of distribution of this farm aid package?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I recognize the concern the hon. member has expressed. I have not received the report from the third line of defence committee. I look forward to receiving it.

I am sure the representatives of farmers who sit on that committee will also understand the importance of summer fallow as an agricultural practice. As an aside, the environmental practice of summer fallowing has been debated but there is no doubt that paying for fallow takes land out of production on a voluntary basis, which is also beneficial to the whole of the agricultural industry.

* * *

[*Translation*]

QUEBEC'S JURISDICTION OVER EDUCATION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is for the Prime Minister. One thing Quebecers are most united on is, that the government of that province must have exclusive jurisdiction over training. Business people and unions agree on that in Quebec. Today, the government released a discussion paper which clearly states its intention to defy the unanimous opinion of Quebecers on that issue.

My question is: How can the government reject so blatantly a fundamental consensus in Quebec at a time when it claims to create national consensus?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, obviously, the hon. member is absolutely wrong because under this document, the federal government has no intention of intervening directly or indirectly in any way in an exclusively provincial jurisdiction. We said it many times and I will say it again, in spite of the distortions that the hon. member will make: The Canadian government fully respects provincial jurisdiction in that field.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, if there is one field of exclusive provincial jurisdiction from the beginning, it is education; in fact, this was even a condition for Quebec joining Confederation. Yet this document clearly indicates that the government now intends to invade a field of jurisdiction that Quebec has always fiercely protected. When will the government finally respect the Constitution? When will it mind its own business?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I will simply invite my hon. friend to read the document carefully. He will realize what all Canadians realize: that the document fully respects the provinces' exclusive jurisdiction in that field. The Canadian government has said it time and again and there can be no misunderstanding on this issue.

As for my hon. friend's concern, he was on this side of the House when we promoted a program for school dropouts, which involved education, and he was in favour; he was not opposed to that program.

* * *

[*English*]

INTEREST RATES

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. This week the bank rate at Canada's chartered banks dropped to 8.5 per cent, which is a good deal.

While the bank's best corporate customers can borrow money at 8.5 per cent, Canadian consumers are being gouged as credit card interest rates remain at 19.75 per cent.

Given that, will the minister reconsider a recommendation made by the Commons consumer and corporate affairs committee to impose a floating cap on credit card interest rates?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, it is an interesting question because consumers should know that everybody could go to their bankers today to renegotiate the loans they have now. Most of the time the consumers are not really aware of the power they have in their hands. I do not think we should put a cap on it. I think this proposal has been rejected over the years. It would be very interesting to tell the people, perhaps in the gallery, the power they have and the capacity they have to renegotiate their loans.

An hon. member: Are you working for the banks now?

An hon. member: Answer the question.

[*Translation*]

Mr. Blais: Mr. Speaker, in a field where the competition is fierce, The signal that we should give to the banks

is precisely to be competitive and urge consumers to renegotiate their loans. That is the best signal that we could send.

* * *

RESEARCH

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, I have a specific question for the Minister of Industry, Science and Technology.

More than two years ago, the Prime Minister's advisory board on science and technology recommended that the government double its funding for university research in Canada. Why did the government reject this recommendation? Will the minister promise today to follow up that recommendation?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I think everyone in this House would like to see a doubling of the amount of science and technology in this country. The fundamental question is on that side of the House. They believe government should provide all the money. On this side of the House we believe that is also an industrial responsibility.

[*Translation*]

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, in the last eight years, the value of contributions from the Industrial Research Assistance Program of the National Research Council has dropped 45 per cent. Now, the government is wondering how to improve the performance of businesses in research and development.

Will the minister commit himself today to increase the funding of industrial research through IRAP?

[*English*]

Hon. William C. Winegard (Minister for Science): Mr. Speaker, we recognize that IRAP is a very important program for industry in Canada. Yes, we will make a commitment to look very seriously at that program.

AGRICULTURE

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is for the Minister of Agriculture.

On a recent trip to Japan the minister is quoted as saying: "Japan and all other parties to the GATT talks must be willing to make hard political decisions. Canada will be doing that in several areas where Canadian farmers are protected because an open global market is more important to global economic health than protection of individuals in any one country". Yet he continues to stand in this House and tell Canadians he supports supply management. The minister either supports it or he does not. Which is it?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, first of all the hon. member started out, and I know he did not mean to mislead this House deliberately, saying I was quoted. If the hon. member is fair and straightforward he would say to the members of this House that that is not a quote from the Minister of Agriculture.

In all cases the Government of Canada has developed its support and its policy on supply management with the stake holders, with the producers and we will continue to do that. We have continued to express that position in GATT. I have expressed it in Japan, I have expressed it in the United States and I have expressed it in Brussels. We will continue to express it because it is important to the producers.

If the producers are changing their minds, then he as a member should inform the government. Neither the government nor the producers have changed their position concerning supply management.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I will send a copy of the article over for the minister to read. The minister is also reported as saying that he did not think that there were very many countries that are able to have security of supply within their own domestic borders.

Does the minister believe that Canada is one of these countries that is able to have security of supply for our food production and will he guarantee to this House today that he will not sign any GATT agreement that

undermines Article XI of GATT, that is supply management?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, I would ask the hon. member if he forgot my first response to his question where he said that I was quoted. I ask the hon. member if he would like to table that quote, Mr. Speaker.

• (1500)

In reply to his second question, Mr. Speaker, I believe there is an opportunity for expansion of agriculture and the ability of the world to feed itself. I replied to a question regarding rice in Japan. I said there are two ways of having security of supply for food, either domestically or seeking it from a world that is able to supply it. I believe Canada is able to supply its own food needs and will continue to do that. Canada is a blessed country in this world.

* * *

PRESENCE IN GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of Mr. Ken McKinnon, Commissioner of the Yukon Territory.

Some hon. members: Hear, hear.

GOVERNMENT ORDERS

[*English*]

POSTAL SERVICES CONTINUATION ACT, 1991

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Danis that Bill C–40, an act to provide for the continuation of postal services be read the third time and passed.

Mr. Speaker: Pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on the motion at third reading of Bill C–40.

Call in the members.

The House divided on the motion, which was agreed on the following division:

(*Division No. 50*)

YEAS

Members

Anderson
Attewell
Baker
Belsher
Bernier
Bevilacqua
Blais
Bosley
Boudria
Brightwell
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clancy
Clark (Brandon—Souris)
Cook
Copps
Crosbie (St. John's West)
Danis
Della Noce
Dionne
Dorin
Edwards
Fee
Ferguson
Finestone
Fontaine
Foster
Gaffney
Gauthier
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Guilbault
Halliday
Harvey (Chicoutimi)
Hicks
Hopkins
Hudon
Jelinek
Joncas
Jourdenais
Kempling
Kilger (Stormont—Dundas)
Kindy
Landry
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lewis
Lopez
MacDougall (Timiskaming)
Maheu
Manley
Marin
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
McKnight
Milliken
Mitges
Moore
Nowlan
O'Kurley
Phinney
Plourde
Pronovost
Prud'homme
Ricard
Rideout
Roy-Arcelin
Scott (Hamilton—Wentworth)
Sobeski
Sparrow
Stevenson
Tétreault
Thompson
Tremblay (Lotbinière)
Valcourt
Van De Walle
Venne
Vincent
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Young (Acadie—Bathurst)—172

Andre
Axworthy (Winnipeg South Centre)
Bélair
Berger
Bertrand
Bjornson
Blenkarn
Bouchard (Roberval)
Bourgault
Browes
Callbeck
Cardiff
Chadwick
Charest
Chrétien
Clark (Yellowhead)
Cole
Cooper
Corbett
Crosby (Halifax West)
Darling
Dingwall
Domm
Duplessis
Epp
Feltham
Ferland
Flis
Fontana
Fretz
Gagliano
Gérin
Gray (Windsor West)
Grey (Beaver River)
Gustafson
Harvard
Hawkes
Hogue
Horner
James
Johnson
Jordan
Kaplan
Keyes
Kilgour (Edmonton Southeast)
Koury
Langlois
Layton
Lee
Loiselle
MacAulay
MacKay
Malone
Marchi
Marleau
Mazankowski
McDermid
McGuire
Merrithew
Mills
Monteith
Nault
Oberle
Peterson
Pickard
Porter
Proud
Redway
Richardson
Robitaille
Scott (Victoria—Haliburton)
Siddon
Soetens
Speller
Stewart
Thacker
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vanclief
Vankoughnet
Vien
Wappel
Wenman
Wilbee
Wood

NAYS

Members

Angus	Axworthy (Saskatoon—Clark's Crossing)
Benjamin	Black
Blackburn (Brant)	Blaikie
Bouchard (Lac-Saint-Jean)	Breaugh
Brewin	Butland
Duceppe	Fisher
Fulton	Gardiner
Harvey (Edmonton East)	Heap
Karpoff	Langan (Mission—Coquitlam)
Langdon (Essex—Windsor)	Lapierre
McCurdy	McLaughlin
Mitchell	Murphy
Rocheleau	Rodriguez
Samson	Skelly (North Island—Powell River)
Skelly (Comox—Alberni)	Stupich
Taylor	Tremblay (Rosemont)
Whittaker	Young (Beaches—Woodbine)—34

PAIRED MEMBERS

aucun/nil

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Mr. MacWilliam: Point of order, Mr. Speaker. My apologies for not being in my seat at the time of the vote. I was inadvertently detained.

Had I been in my seat at the time and able to vote I would have voted against this legislation and would like the record to read so.

* * *

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)) moved that Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to Legislative Committee G.

Mr. Dingwall: Mr. Speaker, I rise on a point of order. Before the minister proceeds on second reading of Bill C-22, I just want the House to be advised that our critic, the hon. member for Dartmouth, was here to proceed with the bill as originally agreed to on Monday and Tuesday of this week.

We were subsequently informed late last week, on Thursday, that we would not be proceeding with this particular bill and that there had to be some meetings on the other side with regard to the contents of Bill C-22. We were subsequently informed that we would be dealing with another piece of legislation today and not Bill C-22. It is my understanding that the parliamentary secretary to the government House leader was to have apprised us of this particular phenomenon yesterday, which was now a second change, and we would go to C-22 today.

Notwithstanding that I want members of this House to know that we on this side are prepared to move today with regard to Bill C-22. Our critic, the hon. member for Dartmouth, has rearranged his schedule in order to participate in this debate, which we believe to be very important. I want the Chair to understand that there was co-operation between all parties with regard to the legislation of the House, however it was changed at the very last moment, thereby adding some confusion in terms of what would be coming forward.

We are prepared to proceed with Bill C-22 today.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I thank the Opposition House Leader for his cooperation.

[*English*]

Forty years of drought are about to end. Since 1949 Canada's Bankruptcy Act has remained virtually unchanged as this country's increasingly obsolete foundation insolvency law. That is about to change. It is my distinct pleasure to rise in this House today to speak in support of Bill C-22, the reform of the Bankruptcy Act.

The reform package that constitutes Bill C-22 is a tribute to years of intensive consultations with stakeholders in business and labour, the legal community and the insolvency community.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I am sorry to interrupt the hon. minister, but I call on members on both sides of the House to cooperate so that conversations or other exchanges take place in private or outside the Chamber and so the public listening to us and all hon. members can understand what the hon. minister is saying.

[*English*]

Mr. Blais: Mr. Speaker, the reform package of Bill C-22 is also a tribute to the unprecedented co-operation among members of all three major parties in this House

and to the clear and constructive contribution that they have made.

[*Translation*]

Mr. Lapierre: Point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford on a point of order.

Mr. Lapierre: Mr. Speaker, I want to thank you for calling us back to order, but I would like some clarification from you as to whether the Standing Orders do not require members to speak extemporaneously instead of reading notes, especially those written by others.

The Acting Speaker (Mr. DeBlois): The hon. member, who has long experience in this House, knows very well that is not a point of order. The hon. minister has the floor.

[*English*]

Mr. Blais: Mr. Speaker, on this note I would like to take a moment to extend my thanks to the two House leaders opposite and to the chairman of the standing committee, the hon. member for Portage—Interlake, for agreeing to refer this bill for pre-study. I would also like to thank the Standing Committee on Consumer and Corporate Affairs and Government Operations for its excellent work.

I would like especially to express my personal thanks, as I said, to the hon. member for Dartmouth and the hon. member for Nickel Belt. From the day that Bill C-22 was first introduced it was clear that their participation would be well informed and constructive. The contributions they have made demonstrate that they recognize the urgency of the passage of this bill so as to better protect the interests of Canadians within a competitive marketplace.

• (1530)

[*Translation*]

Mr. Speaker, I know that the wonderful unanimity of members on both sides of the House concerning the need to proceed with the reform will sound even sweeter. We not only can but must amend this archaic law to better protect our workers, to help those who unfortunately go bankrupt recover as soon as possible and to ensure that our businesses have the modern tools they need to meet the challenge of international competition.

Mr. Speaker, the real reason for our reform is to preserve jobs and promote economic growth. In the latest Speech from the Throne, our government promised to devote much of its energy during this session of Parliament to preparing the necessary ingredients for our future prosperity. We said that we would proceed in several areas: establishing clear, realistic deficit-reduction objectives; implementing the GST; exercising strict spending control; making continuing education the rule rather than the exception; and consulting our fellow citizens on ways to reduce obstacles to sustained growth and international competitiveness.

A crucial step in reaching this ambitious objective is to review our main pieces of framework legislation to ensure that their provisions help rather than hinder natural market forces, for the greater good of our fellow Canadians, Mr. Speaker.

That is the context within which our reform project is to be seen—as an essential part of the economic support structure and a major step to sustained economic growth.

[*English*]

I will not focus on the specifics of the legislation as I know members from all sides of the House are already familiar with them. I would like to speak about the principles that underlie them and I would like to begin by quoting the member for Dartmouth who earlier this year referred to the reform package provisions regarding stay of proceedings as especially timely. He said:

> It is absolutely essential that this type of protection, which they have had in the United States for a number of years, is introduced to a modern bankruptcy act in Canada.
>
> As we all know, because we have constituents who are in business, all too often secured creditors walk in quickly, seize assets, cut off credit lines, and put receivers in place. Many times healthy companies that, for whatever reason—they may be having some temporary difficulty—find themselves in a position where they cannot go on with their business and bankruptcy ensues.

This from June 19 *Hansard* at page 2108. This is precisely the reason we are proposing that the current rules be changed to provide potentially viable businesses in financial trouble with the option of filing a notice of stay with the official receiver for protection from all creditors. It is also why we are adding a new Part XI to the act, to impose duties of disclosure and good faith on secured creditors and receivers and to require that a

secured creditor give a debtor notice before enforcing its security.

In short we are seeking to put in dealing with the Bankruptcy Act emphasis on rehabilitation, not on liquidation. The reasons for this I think are obvious.

[*Translation*]

Mr. Speaker, bankruptcies always involve heavy costs—social and human costs that can be highly destructive. Workers lose their livelihood and too often hard-won skills. Creditors and suppliers lose money; our communities lose businesses; our entrepreneurs lose their investments and often their dreams. Mr. Speaker, these costs undermine our country's efforts to remain competitive internationally.

It is therefore absolutely crucial to have this proposed reform adopted as soon as possible. As parliamentarians, we have a responsibility to do everything we can to protect our viable businesses and especially the jobs they provide, Mr. Speaker. We can no longer afford to waste our precious resources through bankruptcies that could have been avoided.

This desire to end the shameful waste of precious resources is also behind our decision to improve protection for unpaid suppliers. For many small businesses, the loss of a single delivery might be enough to put their viability at risk, causing a chain reaction or a domino effect, if you like. Since the primary objective of the proposed reform is to reduce business bankruptcies and safeguard jobs, clearly we must provide better protection for unpaid suppliers.

Mr. Speaker, the kind of protection we propose exists, and it is effective. In fact, similar protection has been provided in Quebec for several years, to the apparent satisfaction of businesses in that province. This probably explains why associations representing small businesses in this country strongly support this proposal.

[*English*]

Our desire to make the Bankruptcy Act fairer also led us to amend the provisions pertaining to Crown priority, the system whereby governments are automatically assigned preferred creditor status for all moneys owed to them.

With the exception of income tax deducted at source, contributions to the Canada Pension Plan and unemployment insurance premiums, Crown priority is being reduced under the new legislation. This is because we believe rules that are perceived to be unfair or arbitrary damage the entrepreneurial spirit. It was unfair to have one set of rules in place for one category of creditors, the Crown, and not others. We have acted to remove this inequity.

In much the same way as we aimed to make the existing regime fairer and more accessible to business, we aimed to make it fairer and more accessible to consumers. The consumer provisions we are proposing, that provide individuals in financial difficulty with more breathing space in which to reorganize their affairs, are long awaited ones. So too are the provisions that will allow a debtor to negotiate with creditors to pay less than the total amount of the debt owing and to reschedule their debt payment plans over a longer period of time.

Faced with the alternative of forcing the debtor into personal bankruptcy and likely not seeing any compensation at all, most creditors will prefer to receive some amount on the dollar. Should personal bankruptcy become the only option for the unfortunate debtor, our proposals will provide for easier access to affordable and expedient administrative procedures. Both measures will make it easier for bankrupt individuals to get back on their feet and start participating fully in the economy once more.

[*Translation*]

Mr. Speaker, I could go on at length about the merits of each of the more technical amendments we are proposing, but I would like to take a few minutes to explain why we are proposing a wage claim benefits program and why I am particularly proud of being the initiator of this proposal.

Mr. Speaker, all members of this House who are more or less aware of that aspect of our reform know there were at least six attempts during the past fifteen years to update our Bankruptcy Act, and that all these attempts experienced the same fate. They died on the Order Paper. This poor record is partly due to a failure to strike the necessary balance between the legitimate rights of creditors and debtors, but also and especially to an inability to deal with the question of employee protection. That is why, when I took over, I promised myself I

would put an end to this string of failures. Reforms in this crucial area were too long to come about for lack of consensus on the type of protection and the means of financing that protection.

• (1540)

Mr. Speaker, it is a real pity and, quite frankly, I find unacceptable the fact that while we have been discussing principles and possible solutions for years, our workers are left out in the cold with little or no protection.

Great hardship was suffered by innocent bystanders to wait any longer for an illusive consensus to emerge. In fact, it is absolutely unthinkable that, in developing our proposals for change, we would take the easy way out and turn our backs on our poor wage-earners.

Not only was I firmly determined to put in place a protection plan for employees, but also to make it work efficiently.

One of the reasons why I personally carried such extensive consultations over the past few months was to see for myself how far we could and should go with our program. The program we are putting forward fully meets the real concerns of the people and the organizations we approached.

What we are proposing is accessible and easy to use. It is intended to provide a safety net to ensure that workers get the wages owed to them should their employer goes bankrupt and that they get it as quickly as possible.

By collecting the employers' contribution at the same time as their unemployment insurance premiums, we minimize administrative costs as well as their amount of paperwork.

Mr. Speaker, concerns were expressed recently about our wage claim payment plan. I wish to respond to a number of these concerns, because I think it is important that our fellow citizens have a clear picture of what our program is and what it is not.

First, judging by the nature and tone of some speeches, it is obvious that there is confusion, misunderstanding, about the *raison d'être* of our program. This program is, first and foremost, one in a series of steps aimed at updating our antiquated Bankruptcy Act and the basic idea is to keep viable businesses afloat, protect jobs and realign the rights of both creditors and debtors.

[*English*]

The program is not intended as a mechanism for income substitution or as a means of providing general compensation to workers for job losses resulting from a bankruptcy. Rather, it is a safety net that has been designed to ensure that individuals owed moneys by their bankrupt employers for wages or expenses receive an acceptable level of protection.

Second, some groups have argued that a simpler way of dealing with the issue of moneys owed to employees of a bankrupt firm would be to give them super priority over other creditors.

This approach to wage earner protection was proposed in earlier attempts to amend the Bankruptcy Act and was rejected every time by all even here in the House and by other stakeholders outside in the Landry committee and the Colter committee.

Why? For one thing it is neither sure nor prompt. It takes time to liquidate the assets of a bankrupt firm when and if there are any assets to liquidate. Super priority wage earners would be forced to wait several months before finding out whether they would be receiving wages owed to them.

Third, it is important to note that the wage claim protection program will be funded through an employer contribution of roughly 10 cents per week per employee. Money thus collected will be earmarked specifically for this program. For this reason the program cannot be used as a so-called cash cow to raise revenues for other purposes. I believe the following examples help to put this tax in its proper perspective.

For the average sized Canadian business employing 15 people it would mean $1.50 per week, the equivalent of the price of a large bag of potato chips. For the average small and medium sized business employing an average of seven people, 10 cents per employee per week means 70 cents a week, which is less than the price of a cup of coffee.

[*Translation*]

Mr. Speaker, some have suggested that such an additional burden could jeopardize the competitiveness of our companies on world markets.

In my opinion, Mr. Speaker, nothing could be further from the truth. Moreover, whereas the level of the tax or contribution is minimal, the benefits of the program for workers and for businesses as well will be very significant.

Some say that the maximum authorized payment is too low. Mr. Speaker, it would have been easy to be generous with other people's money. However, the objective of this program is to provide workers with an acceptable level of protection for the money owed them. The $2,000 maximum payment provided by the program is equivalent to about twice the amount owed to employees caught in bankruptcies and should be more than enough to cover the vast majority of salary claims, according to studies that we have on hand.

Moreover, Mr. Speaker, nothing will prevent an individual owed more than $2,000 from claiming the excess as an ordinary debt. Some have suggested that we should finance the program through the general revenues of the government. This suggestion simply cannot be implemented, given our huge deficit at the present time.

I would now like to take a few moments to discuss the report of the Standing Committee on the preliminary study of Bill C–22. This report is indeed eloquent testimony to the usefulness of a pre–study. In my opinion, it demonstrates clearly that the process is valid and constructive.

As I said earlier, Mr. Speaker, I must thank all the members of the Committee. The spirit of cooperation that prevailed enabled us to make great progress. In fact, the most remarkable thing about the hearings held during the pre–study is that, while each group that appeared before the Committee endeavoured, as one would expect, to protect its own interests in the context of the reform, a strong and genuine consensus emerged from those hearings regarding the reform proposals as a whole, and a very clear message was sent to the lawmakers: What are you waiting for to support this reform?

Following this detailed study, the Committee released a report in which it recommends several amendments to the bill. After carefully examining the Committee's report, and consulting with experts from my department and outside, I am pleased to announce in this House that we will accept most of the recommendations made by the Committee. These excellent recommendations which deal, among other things, with commercial reorganization and winding–up arrangements, will significantly improve the reform of the Bankruptcy Act.

Unfortunately, some recommendations are unacceptable to us. The government and the opposition critics have agreed—and I want to thank my two colleagues, whom I met last week—that it was impossible to reach an agreement on two issues, namely the absolute priority of salary claims and the rights of unpaid suppliers. However, our accepting most of the Committee's recommendations demonstrates the good faith shown by both sides of the House.

In any case, the three parties agreed that Bill C–22 is reasonable and balanced, and a most adequate answer to the pressing needs of a modern and dynamic economy.

• (1550)

[*English*]

Over the past months I have made a point of consulting closely with my provincial counterparts to ensure our regime meshes smoothly with existing or planned provincial ones.

I am pleased to report that we are proceeding satisfactorily. The new proposed bankruptcy and insolvency act offers flexible, modern rules that recognize natural market forces. It is an important element of the framework that will allow this government to foster a competitive productive national economy.

This bill provides clear and vital benefits for Canadian businesses, workers and consumers. The passage of Bill C–22 will create a smoother operating and fairer bankruptcy and insolvency system in this country.

On the other hand, I do not even want to think about the consequences of delaying or halting the progress of this legislation. We in this House have the power to pass laws that make our legal system better, laws that encourage prosperity and growth, laws that help Canadians.

We have such an opportunity before us. It is my fervent hope that this important piece of legislation will be passed without delay by Parliament so that we may replace the existing law and end the 40 years of drought.

[*Translation*]

Mr. Speaker, I was heckled earlier, at the beginning of my speech, by members who criticized me. I am sorry to see that they are gone now as for the most part of my speech. It is easy for the Bloc Québécois to criticize, but when the time comes to listen and find out how a bill can serve the interests of all Canadians, including the people of Quebec, they disappear from the surface of the earth. That is what happens, Mr. Speaker. They only want to impress the media.

Mr. Speaker, I wish to move the following:

That Bill C-22, An Act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other Acts in consequence thereof, not be referred to Legislative Committee G but rather to the Standing Committee on Consumer and Corporate Affairs and Government Operations.

[*English*]

The Acting Speaker (Mr. DeBlois): Will those members who object to the motion please rise in their places.

And fewer than five members having risen:

The Acting Speaker (Mr. DeBlois): The motion is deemed adopted, pursuant to Standing Order 73(b).

Motion agreed to.

The Acting Speaker (Mr. DeBlois): Resuming debate on the main motion.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I rise today to join my colleague, the minister, in debate on this very important piece of infrastructural legislation concerning the marketplace of our country: Bill C-22, an act to amend the Bankruptcy Act, an act to enact the Wage Claim Payment Act and other particular technical amendments.

We have just gone through a fairly new procedure from all sides of this House. After this bill was initially put to the House for first reading back about June 12 all sides of the House agreed, in the interests of trying to provide for better legislative process, to have it referred to the Standing Committee on Consumer and Corporate Affairs.

The reason that we did that is that there was a recognition on all sides of this House that the area of bankruptcy and bankruptcy reform had to be a priority with the government and with members of all sides of this House.

Rather than wait until second reading debate when we all get up and have our say about the principles that are enshrined in this particular piece of legislation, in order not to unduly hold up the process, all sides agreed to do basically a pre-study after first reading.

Before I get into the substantive part of my remarks on the various aspects of this legislation I want to state clearly up front that the process which we have just gone through, my colleagues in the New Democratic Party, my colleagues in the Liberal Party and in the Conservative Party, of allowing members prior to approval of the bill in principle at second reading to sit down and debate a piece of legislation as if it were draft legislation has been an extremely productive and positive experience for all of us.

What we saw was a departure from the normal cut and thrust of partisanship which normally happens after second reading when a bill goes to committee. We did not see in most cases, and I underline most because it was not in all cases, government members digging their heels in and indicating that no matter what was raised by other members of the committee, it certainly could not be correct because it was contrary to what the minister or what the department had put forward in the bill.

All of the members who were interested came back two weeks early and heard witnesses from various interest groups across the country. Interestingly enough, at the end of the process we came up with a near consensus. I think there was one member of the committee who did not agree in the report that was placed after the pre-study.

We came up with a consensus about the types of things we wanted to see reformed this bill and to bring in better legislation. I am going to refer to some of those recommendations as I go along in my presentation today.

I want to say at the outset that this is exactly the type of process that should be looked at by all sides of this House because it truly is a way to involve members on the government backbenches and members of the opposition, be they Liberals, New Democrats, or independents, in a very positive way in the legislative process.

I understand the government is not going to accept all of the 22 or so amendments that were put forward. The government has indicated that it is prepared to accept a majority of the recommendations before this bill receives final approval in the House of Commons.

That has to be something that is very positive and must be underlined for all Canadians who all too often, but for good reason, see most of what we do here as pretty much irrelevant and see the role of the private member as less than irrelevant at the best of times.

I want to commend the minister and the two House leaders for embarking us on this trek into the unknown when we did pre-study after first reading. It truly is one of the ways that this place can reform the way it does its business and to put some respect back into the parliamentary process and put respect back into the job of being a parliamentarian.

It has been a long time since bankruptcy legislation has come before this House. The current bill was enacted in 1949. It was slightly amended in 1966, but not substantially amended. Since then the minister has indicated in his speech that there were were six attempts before the Parliament of Canada to try and reform that particular piece of legislation.

In actual fact there have been at least nine attempts, or perhaps 10, six of which were through legislation, either legislation introduced in the Senate or legislation that eventually died on the Order Paper in this place.

In each and every case there were certain objectives put forward when we were looking at reform of bankruptcy legislation. I want to paraphrase Coulter because it seems to be one of the recent authorities on what we should be looking for in bankruptcy reform legislation.

Coulter said that first, bankruptcy legislation reform should be fair and equitable. Second, it should establish a proper equilibrium in the balance of power between the debtor, the secured creditor, and the unsecured creditor. Third, bankruptcy legislation should allow for effective reorganization and support the maintenance of viable business enterprise. Fifth, it should be flexible. Sixth, the legislation should recognize the special circumstances of different categories of debtors.

He used as an example farmers and fishermen.

We have had a long time between drinks at the well. It has been a long time since this bankruptcy legislation has been put forward for much-needed reform.

• (1600)

I should say at this particular juncture that the bill before us, Bill C-22, sets out in a fairly categorized way to address eight concerns that have been raised through countless consultations and countless studies and countless bills that have been put before us. There are some which we are not approaching today which Coulter had mentioned and they are farmers, fishermen and international insolvencies and perhaps one or two other things. This bill is broken down basically into eight sections: wage earner protection, and I am going to spend most of my time on that today, commercial reorganizations, consumer proposals, consumer bankruptcy, secured creditors and receivers, Crown claims and priorities, protection of unpaid suppliers, and a whole host of technical amendments.

This is not an appropriate time for us to be dealing with bankruptcy reform legislation. I would like to have seen it a little earlier. I am sure the minister would like to have as well. I cannot help but wonder why the bankruptcy legislation that is before us comes after a very deep and very severe recession.

One of the key points in the bill is the wage earner protection fund which seeks to try to re-establish some balance, as Coulter said, between the rights of various creditors. It is interesting to note that as we talk about bankruptcies we find our economy continuing in a state of decline.

Since 1984 there have been in excess of 273,000 bankruptcies. The assets of those 273,000 bankruptcies are in excess of $20 billion. During that period nearly 3,000 farmers have gone bankrupt. That is a lot of farms out of production. That is a lot of farm families getting a lot of farm stress and it is a heck of a lot of pain for those individuals.

Anyone who knows anything about farming will tell you for every farmer who goes bankrupt there is probably another 10 who are insolvent but there is no sense in the bank foreclosing because it cannot do anything with the assets. Truly it is the tip of the iceberg.

Regarding fishermen, 3,102 fishermen have had to declare bankruptcy between 1984 and the September statistics that were put out just Friday by Statistics Canada. People ask: "You're dealing with bankruptcy reform, Ron, what do you think is the cause of this accelerated rate of bankruptcies?"

It is clear, the accelerated rate of bankruptcies is caused by the three pillars of this government's economic policies, one of which is the high dollar policy. I looked in the paper today and I think the dollar is at 88 cents. Anyone who knows anything about our export based industries knows that for every cent that the dollar goes up, there is about $1.4 billion lost in Canadian exports. Over the last year when we have seen the Canadian dollar go to those almost all-time highs, at least in the last dozen years, some analyses said that we have lost as much as $143 billion in Canadian exports.

We have had a high tax policy. Thirty-two times since 1984 taxes have been raised. The GST has taken a tremendous bite out of the wallets of consumers. It has caused the collapse of consumer confidence which in turn has caused consumers to stop buying. When consumers stop buying, businesses file for bankruptcy, people lose their jobs and the economy goes into a nosedive. Thirty-two times taxes have gone up.

There was a report out just last week which said that if you took out the effect on inflation of government policies, and that is its tax policy and its high interest rate policy, when you put your equation together regarding the inflation rate you would find out that over the last 12 months Canadian businesses have done their part. There have been no increases in consumer prices other than those increases that have been the direct result of the high dollar, high interest rate policy by this government.

We see that the inflation which has caused high interest rates, the third pillar of the government's economic policy, as the Governor of the Bank of Canada will tell you, have to be imposed because we have to get inflation down.

If the Conference Board of Canada's figures which I just quoted about price increases are correct then the government's own policies have caused the dollar to rise. The government's own policies of high tax have caused inflation to rise. As a result of those first two things, the government's first two policies have caused an incredibly high interest rate policy. This has led tens of thousands of Canadians and Canadian businesses over the brink into bankruptcy. Those are the facts. I raise them because in the last 12 months this economy has been beaten to death by this government's policies. There have been tens of thousands, perhaps hundreds of thousands of Canadian workers who have lost their jobs in this recession.

Since we have had so many years between drinks at the well, why is it that it is only after 100,000 Canadians have lost their jobs and after 56,000 Canadian individuals and businesses have gone bankrupt that we actually get bankruptcy reform legislation before us?

One of the pillars of the bankruptcy reform legislation is the wage earner protection fund. It has been used as the carrot on the stick. Everyone in this House I would suspect who is a caring and thinking individual recognizes that there is a great imbalance in the bankruptcy legislation. The imbalance is this. In 1949, the bill provided for up to $500 for payment of outstanding wage claims on bankrupt firms. It was not as a super priority, it was as an ordinary creditor. Status was applied to those wages. In actual fact what it meant, all through that period of time, was that by the time the assets had been disposed of, there was really nothing left for the poor worker.

Surely if we seek to fundamentally rebalance an unbalanced bill then we should sit down and look at whose interest we are serving. The government proposes in this legislation to create a new fund called the wage earner protection fund because it recognizes that there is an interest in the assets of a bankrupt or insolvent firm. There is an interest there by the employees who have not had their wages paid. It recognizes that and I applaud it for it and I recognize and support that as well.

Rather than go in and put that balance that I referred to earlier that Coulter had spoken about, in the bill, it has chosen the easier route. The easier route is: No, do not go in and try to rebalance the bill because there are a lot of very special interests out there who squeak like crazy every time you even talk about offering their position under current bankruptcy legislation. I refer to a lot of the financial institutions.

Rather than go in and bear the wrath of the heavy lobby from the financial institutions because we are going in to try to put fairness and equity back into our bankruptcy legislation, the thing to do perhaps is to go forward and say we recognize it, but we are going to pay it out in a different way. That is what the government has proposed.

The government has come in and said: "We are going to have a wage earner protection fund". What does that mean? The proposal in Bill C-22 is that employees who are owed wages in bankrupt or insolvent firms will be able to claim for 90 per cent of the wages owed, up to a maximum of $2,000. The government is doing that because it believes in order to put a fund together it has to make sure that it is not so costly that it cannot be financed easily. So how will it finance it? Well, in the minister's own words, and he recognizes what it is, it will implement a new tax. I just said that there were 32 tax increases since 1984. Strike for 33 plus the paper burden.

Now what we have is a new tax proposed to fund an inequity that everybody believes is there in the wage earner protection fund and it truly is there. Rather than go against the banks, rather than go against the other big special interests who have been protected year after year after year by no offering of the current bankruptcy legislation, let us create a fund, a social program in effect. It will do what we really cannot find the wherewithal to do and that is truly rebalance the bill. There will be another tax and the tax is going to go in. I know it is not a lot of money. I asked the witnesses who came and they all said: "We hate this tax", and we know that it is only a few pennies. The minister mentioned it is not very much money, but Canadian businesses have been smothered with new taxes. They have been absolutely smothered by the paperwork burden imposed upon them by federal, provincial and municipal governments, all trying to take a share of that diminished profit that they have worked so hard in their businesses to create. They have had enough.

• (1610)

Every single witness who came forward said: "We agree that there has to be a rebalancing. We agree somebody has to pay for it. We know that. But please do not put in a new tax. We do not trust the current provincial governments and we certainly do not trust our federal government. A tax that is $5 or $10 per employee this year will be $15, $50 or $75 in future years".

No matter how much the government protests that will not happen, we constantly get examples, such as unemployment insurance premiums.

An hon. member: Up 24 per cent.

Mr. MacDonald: They went up 24 per cent last year. It is not good. They are taking money out of small business. They are crippling small business with additional taxes.

We in the Liberal party agree there has to be something done. The wage earner protection fund, by the government's own admission, is going to tax every employer in the country. It is going to tax hospitals which find that the money made available to them from the EPF is diminishing every year because of a freeze on EPF. Hospitals do not go bankrupt in Canada, but they are going to be taxed. Their diminishing health care dollar is going to be siphoned back up from a new tax that their employees will never get to benefit from as long as they are employees of a hospital because hospitals do not go bankrupt.

It is the same with school boards and municipalities. In a very difficult economic time the government proposes to fix what we all agree is something that has to be fixed but it is doing it the wrong way, in the opinion of the Liberal Party.

We have proposed through a pre-study of this bill that we do it a different way. We dare to go in and challenge some of what has been told to us by some of those very special interest groups in the country, primarily the banks.

We said to the banks: "We have to fix this. It is not right". There are three inputs into a business. There is the entrepreneurial spirit and whatever moneys the entrepreneur has, plus all of the hard work and ingenuity needed to get a business going. That is an input.

Then there is the investor, usually a bank. It is usually a bank that comes in and makes its assessment on all of the various factors, the market, the product and the skills that are brought forward by the owner and the operator. It makes an investment of money because it thinks it will make money on the entrepreneurial spirit of the owner.

Then there is a third input as well. That third input is the labour of the employees who put their time and effort for pay into producing a product or a service.

If we really want to rebalance the bankruptcy legislation, let us do more than recognize that they have an interest. Let us put the interest in the bill.

The Liberal Party said there was no need to create a $60 million fund. That is what the government said this was going to cost. There is no need to create another tax. There is no need to create more paperwork burden.

What we can do is go in and fix the act. When we said that to the bankers, they said: "I will tell you what. If you go in and touch our interest or our secured interest", because Canadian banks are not risk takers. They tell you that up front. The most protected banking institutions in the world are Canadian banks. They told us right to our face that they are not risk takers.

An hon. member: Including FBDB.

Mr. MacDonald: Including FBDB. They are not risk takers.

What the bank said is: "If you touch our secured interest, if you put a super priority to fund those wages, it takes away from our interest and we promise you there will be a credit crunch like you never saw in this country. And in some businesses that are labour intensive, we will not be able to lend them money any more. If you touch our interest, we can go elsewhere and make our money". And I say: "Sure, we certainly believe that, Mr. Banker".

I asked the minister's staff and the departmental staff about the new Crown priority that was established about a dozen years ago, a deemed trust situation with source deductions. I know it is a much smaller amount of money. The banks argued the same case at that point. If a super priority was given to the government's claims for source deductions, it would give them a credit crunch and they would not be able to lend money. Do you know what, Mr. Speaker? The day after that particular provision was enacted in law, and there was a super priority on Crown claims, life went on. The banks continued to lend their money and businesses continued to expand and flourish, and there was no credit crunch.

So I don't believe it for a minute. You look at the system in the United States where the banks do not have such a security interest in business and that is a flourishing free market economy. So don't come and tell me, protected conservative Canadian banks, that it we alter anything as far as your security interests in the assets of a company that you are not going to give them money. I say to the banks that you will adjust to whatever the regulations and the legislation is, and you will adjust like you have done in every other circumstance. You will continue to lend and you will continue to make record profits in Canada because of the other regulations and the other laws that protect Canadian banks and financial institutions.

You know, it is interesting, we are dealing with about $62 million, that is all, $62 million. There are hundreds of billions of dollars in investments made by Canadian banks. We are talking about wage claims of about $62 million. How in the name of goodness can $62 million put that very solid Canadian banking institution on its ears? It is not going to happen.

We in the Liberal party are absolutely opposed to a wage earner protection fund which is financed by a new tax on businesses and on average Canadians. We are opposed to it 100 per cent.

Through the committee process we were able to convince, between my NDP colleague from Nickel Belt and myself, all but one committee member. We were able to convince Conservative members on the other side that a new tax was the wrong way to go. We said to listen to the CFIB. There are other ways to do this. We can dare to be bold and to be innovative and we can achieve those goals that the minister set out, which is to give wage protection to employees, but we can do it in a different way. We all agreed on the goals, we just disagree on how we get there.

The Liberal party has been clear. The committee pre-studying it has been extremely clear. We don't buy the arguments from the big banks and the vested interests in this country that if we touch their security interest the entire economy is going to collapse in this country. We simply do not buy it and we will not support another tax on small business. We will not support amending a bankruptcy act, leaving almost undisturbed the unfair interest and the unbalanced interest of most of Canada's financial institutions in the assets of a bankrupt's estate.

I have to tell you this, Mr. Speaker. This is a little interesting. It is not just Liberals and New Democrats who seek fairness. I think there are a lot of Conservatives who do as well. I have a list here of some Conservative members who filled out a questionnaire concerning whether or not they were in favour of an employer-financed wage earner protection fund, as proposed in Bill C-22. There were about 50 members of Parliament who responded, and out of that there were a number of Conservative members. The member for Athabasca said he was opposed; the member for Calgary Southeast said he was opposed; the member for Bramalea—Gore—Malton said he was opposed; the member for Red Deer said he was opposed; the member for Lethbridge said he was opposed; the member for Bruce—Grey said he was opposed; the member for Halton—Peel said he was opposed; and the member for Edmonton Southwest, who happens to be the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs who is sponsoring this bill which will impose a new tax, said at that time in the summer, that he as well was opposed to the bill.

An hon. member: Shame on Edmonton Southwest.

Mr. MacDonald (Dartmouth): The Conservative members on the pre-study committee on Consumer and Corporate Affairs as well said that they were opposed to the establishment of a new tax in order to achieve these goals. The committee report went into some length about a system that we thought would work, that would still give immediacy of payment and certainty of payment to those wage earners. We also thought that the dollar value should go from $2,000 to $3,000. We thought that the Superintendent of Bankruptcies should guarantee any loans made by a trustee to fulfill that wage earner super priority. We even said, so that it doesn't cost taxpayers a lot more money, let the trustee at the superintendent's office adjust the fees to create a fund. If a trustee has to borrow against the assets of the firm to pay out the claims of those wage earners so there is immediacy of payment, if there is any shortfall, the superintendent's office could guarantee it.

• (1620)

We gave them a way to do it and we hear that the government has said no.

An hon. member: More taxes.

Mr. MacDonald (Dartmouth): More taxes, more taxes, more taxes.

There are other aspects of the bill such as commercial reorganization. This bill has a very good provision in it for commercial reorganization. We all agree that it is absolutely necessary to put some order in a very cannibalistic process at this point in dealing with commercial reorganization.

Currently under the Bankruptcy Act there really is no provision for a debtor or a company that is in debt to stop a creditor from basically jumping the queue and immediately appointing a receiver with 10 or 15 days' notice, in effect putting the company out of business. This bill seeks to rebalance that and we support this particular section of the bill wholeheartedly.

There were a number of amendments we were seeking through committee and I have discussed the matter with the minister. Some of them are technical and some are not that technical. We want to make sure, if we are going to go in and try to rescue businesses by allowing provisions for commercial reorganization, that at the same time we are not passing a piece of legislation which may be technically flawed or perhaps has not gone far enough so that the goals as outlined by the government in the proposals on reorganization can truly be obtained.

In brief, the commercial reorganization allows for a debtor to file a notice of intent. Once a notice of intent is signed, secured and unsecured creditors are stayed. They cannot do anything. They cannot jump in if they have a lien on a particular aspect of the business. They cannot jump in and stop the company from doing business. That means the business or the individual has a period of time to sit down without a gun at his or her head to try and work out a proposal with all of the creditors.

If the business has loans of a million dollars and it is only worth $700,000 and it can carry that debt, then the owner/operator along with the trustee or the receiver can sit down and work out with the creditors a more equitable arrangement so that instead of just going in and cannibalizing the assets of a firm in some financial difficulty and putting people out of work and destroying the lives of those owner/operators who would otherwise be forced into bankruptcy, it gives them some hope that there is another and better way to do it. Maybe through restructuring, through a 30-day, a 45-day or up to a six-month provision, we are giving them time to make businesses work instead of allowing the old legislation to

go on which simply put businesses out of business, many of which were very viable.

The current bill says that you can go as long as six months. This is one of the things we were looking for, but we do not think it is long enough. We have heard from a lot of our colleagues about cases like Algoma Steel in which it is going to take a long time if you are going to restructure its debt in order to save the company and thousands of jobs. We have put some recommendations forward through the committee. It is my hope that the government will be looking at those recommendations.

There is also some very good news dealing with revindication. We finally recognize that there is an interest in the assets of a bankrupt firm that has to take a super priority and that is the interest of those suppliers that have supplied goods to a company that suddenly goes bankrupt. We live on credit. Nobody pays cash these days. All too often we have heard, and the government has heard in the past, that suppliers of goods supply goods to a company and if the company knows it is in financial difficulty oftentimes it will stock up on stock, get rid of the stock at ridiculously low prices to try to stave off secured creditors like banks, or if they know the company is going to be going under they will stock up on the stock. The company is petitioned into bankruptcy and those individuals have no preferred claim on their own goods in the store or retail outlet that are unaltered, that are still identifiable, because the receiver will come in and liquidate the assets of the company.

This bill seeks to remedy that situation by giving revindication rights for those goods and services that are unaltered, are identifiable and in the same form. That is a very positive step. There are some problems with it and the problems have been addressed in the committee report. I met with the minister last week to look at trying to fix it a little bit.

I mentioned earlier that we can get stays of proceedings of 10 days, 21 days and extended each time after that by 45 days, in which case nobody can take any actions against a firm that is under protection. There is a problem here because as I have indicated you have just given a 30-day provision to a supplier of goods to revindicate. We have indicated in a report what should be done. I might sell goods to a company and then 10 days after I sell the goods to the company it might apply for protection under the proposed act. My clock continues to tick. Maybe 21 days later when I am one day over my 30 days that I could revindicate, the company is unable to come to an agreement with its creditors, goes bankrupt and as for my interest in the stock it has on hand, which is unpaid for, I have lost my ability to revindicate.

We have made provisions and we have made recommendations to the minister that in cases such as that the 30-day clock should cease. It should be held so that when a company goes in and applies for 10 days' protection or it goes up to 31 days' protection, the revindication clock for the supplier also has a stay during that period of time so that at the end of the period, if there is no reorganization and its goods are still there in an unaltered form, it can still go in and revindicate.

We have also found some technical problems with the particular piece of legislation dealing with timeframes. We have made recommendations to the minister in that regard.

One of the problems that I have with this bill is what I quoted back from Coulter earlier. Coulter indicated that there were special circumstances that had to be looked at, and those special circumstances were for farmers and fishermen.

Under the revindication requirement as outlined in the legislation before us in Bill C-22, one of the problems that we have is that it says the goods, in order to revindicate, must be in the same form that they were sold.

Everybody knows that when you catch a fish and you sell it to a processing plant, it has to do something with it because it will start to rot. As soon as you get it in the processing plant, you have to do something to enhance its quality or to stabilize its quality.

The bill is very clear. In order to revindicate, under the proposals, it has to have no value-add. In the case of farmers and fishermen, in perishable goods, as soon as the product arrives at the processing plant something has to be done to preserve the quality, and that is value-add.

A farmer or fishermen might sell their goods at three o'clock today. The company goes into bankruptcy or receivership at four o'clock and they will never be able to avail themselves in almost every single case, particularly

fish products and fungible and perishable agricultural goods.

They will never be able to use these very good revindication provisions because there would have been value-add or there would have been some altering.

One of the things that I would suggest to the minister who is listening attentively over there is that the department go ahead with the consultative process as quickly as possible to find ways to ensure that in those two special circumstances for our farmers and our fishermen we give them similar protection that we seem to be giving to producers and sellers of other products and that we recognize the unique hardship caused if the farmer sells all his grain to a grain elevator and it is dumped in with the grain of two other farmers.

If they go bankrupt he cannot get his grain back because he does not know which 20 tonnes of grain are his and which 20 tonnes are his neighbours.

I talked to the minister about this, and I hope that we can work with him to try to come up with a workable solution so that farmers and fishermen as suppliers of goods receive similar and at least as much protection as this bill would give to the producers of other types of goods.

I have got some recommendations for him and I think he has already got them on his desk.

Some of the other things that we have looked at in the bill deal with consumer bankruptcies. The bill goes a long way to addressing a very outdated process for dealing with consumer bankrupts.

It has provisions in it for reorganization. The consumers who finds themselves in a debt situation are not left for their bones to be picked by their creditors. They have an opportunity to sit down and work with their creditors in a protected environment where nobody can really take any action while they are filing a proposal or putting it together, and so they may be able to discharge the debt in a reasonable period of time.

If those individuals who have $5,000 or less in assets, the consumers, have to go bankrupt, the act provides for a less onerous process whereby they can file an application for bankruptcy. If it is their first bankruptcy, nine months later, unless there is a major objection agreed to by the courts or by the superintendent, automatically they get discharged. They are very positive and important amendments to the bill.

There are just two other things I want to talk about.

• (1630)

I think the minister would have to agree with me that it is simply not the case that a lot of the rhetoric is coming out from the department and from promoters of this particular bill about all of the Crown priorities that have been given up. The Crown priorities as they relate to source deductions are still firmly in place. For most medium and small sized businesses it is a fairly large chunk and it is a very heavy top priority to be given.

We have recommended in our committee report, and the Liberal party recommends it, a re-examination of that. We also recommend that the Crown be treated as any other creditor in so far as the putting together of a proposal.

The last thing that I want to say is there are a lot of regulations. We cannot keep passing laws—this is one of those pieces of legislation—and leaving the actual mechanism to enact the legislation to regulators. There are over 130 pieces of regulation that have to be written.

The Liberal Party wants to look at those in committee before we agree to anything further with the bill because we believe that passing bills has to be put back on the shoulders of parliamentarians. We should not pass shells of bills and then at that point leave it to regulators actually to put the mechanisms together that will make or break the legislation.

In conclusion, I would like to say that the Liberal Party has been supportive of any effort to reform the legislation. I have tried in the short period I have had to outline what we think is good about the legislation and what we support. I have given our support for the process under which we have embarked. I also have major difficulties and cannot reconcile my difficulties, no matter how often I have talked to the minister and his officials, with the wage earner protection fund as put forward.

The Liberal Party simply cannot accept another tax on Canadian businesses. As much as we want to support this legislation and as much as we know that there have been major reforms made, at this point I would have to move:

> That the motion be amended by deleting all of the words after the word "that" and by substituting the following therefor:
>
> "That this House declines to proceed with Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, the principle of which is to impose yet another tax on Canadian business".

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair will take under advisement the motion in amendment proposed by the hon. member for Dartmouth.

[*English*]

Before recognizing the next 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 Surrey North—Health; the hon. member for Restigouche—Chaleur—Canada Post; the hon. member for Markham—Whitchurch—Stouffville—Pornography; the hon. member for Mount Royal—The Economy; the hon. member for Saint—Léonard—Paper Industry.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I want to say a few words about Bill C-22, an act to enact the Wage Claim Payment Act and to amend the Bankruptcy Act.

When we had the little 10-minute debates before we sent Bill C-22 to a pre-study committee I remember saying it was appropriate that we should amend the Bankruptcy Act. This is the first time since 1949 when the act was passed that there has been a bill to amend the act.

Colleagues of my caucus and I over several Parliaments have called for amendments to the 1949 Bankruptcy Act because it has become outdated. It does not reflect the realities of today.

In fact from 1975 to 1984 there were six bills introduced by my colleagues to the right, the Liberals. Some of them included super priority. The last Consumer and Corporate Affairs minister in the Liberal government, the Trudeau government, brought in an amendment to the act and what happened? She included super priority.

Well, something happened on the way to the House of Commons after the act was introduced. Some group or somebody got to the minister and that act just died.

We have had a new government since 1984. Seven years later and four ministers later, we have C-22. Every minister who occupied the position of Consumer and Corporate Affairs minister since 1984 always said: "Oh, this is a priority for me. We have got to do something about it".

When this minister introduced his bill for first reading, I stood up here and said: "This bill that the minister introduced reminds me of a fireman going to the blazing inferno with a step ladder and a garden hose" because there were criticisms I had made of things in the bill.

Well, we introduced a brand new process. The minister got very wise. He decided to try out a new strategy so he said: "Maybe I could suck these guys in". He came up with what is called pre-study. A nice concept. I had no problem with it. Anybody who wants to talk, why not get together. He sent the bill to pre-study and what we did in the pre-study, I am proud to say, is we gave him a fire hose and an extension ladder. I think that is what our recommendations did.

I want to point out that it is very seldom in this House that we get the kind of unanimity of thinking on major important issues as we did. There is only one recommendation in the 22 that I could not agree with. It is a minor one and not very crucial to the bill. I want to say to the minister that in fact we had Conservatives on the committee, colleagues from the Liberal Party and myself, and we came out of that process with 22 recommendations. We were unanimous in agreeing on the vast majority of them including the important ones, the wage payment protection provisions.

We were concerned about the walk-aways. We agreed on the revindication of goods. We were agreed on the breathing space for re-organization. We were in agreement on the provisions for consumer bankruptcies. We had no problem. It was marvellous. It was a real love-in because we were cheek to cheek, eyeball to eyeball, jowl to jowl on the important issues.

I support the process and I have no problem with it. The whole concept of the pre-study, the whole *raison d'être* behind the pre-study is so that members can aerate and explore the provisions of a bill that had second reading. They can come to an agreement on very important issues, not the minor dotting of the *i's* and crossing of the *t's* and putting in the commas, but on the crucial issues, the real principle issues in the bill. If we can reach agreement on that, what is the point if the minister simply says: "Well, I don't think you have any relevancy" or "I do not agree with you on that" or "my way or the highway"?

• (1640)

What is the point of that? What is the point of that exercise? I want to come to the major disagreements that we had. I want the minister to know that in this examination of pre-study of this bill, we did not exactly go to the highways and by-ways and say: "You come to the committee. We want to hear your views on bankruptcy". We did not advertise in newspapers all across the country. We did not invite every Tom, Dick, Harry, Jane, Elizabeth to come and say what they want. We did not have these sorts of town hall meetings that we see now with different committees that go around the country. We did not do that.

I want to put this in context. We did not do that. I want to deal with what the minister said, that of all these witnesses who came, only one supported super priority. We decided we would call only these people who have an interest in the bill: the Canadian Manufacturers' Association and I want to ask you who they represent; the Canadian Bar Association; the Canadian Insolvency Association; the Canadian Institute of Public Real Estate Companies; Insolvency Institute of Canada; the Canadian Bankers' Association; the Board of Trade of Metropolitan Toronto; Pfeiffer & Pfeiffer, trustees and liquidators; C. Roy Henning, Barrister and Solicitor; Weir Bowen, Edmonton, Alberta and so on and so on.

The point I want to make, Mr. Speaker, is that we had all the people who had a vested interest in making sure that their clients did not lose their super priority in the Senate when an occupation or an operation goes bankrupt.

We are going to get to that, brother. Just cool your buns.

The overwhelming number of the witnesses who came were agents for bankers back then and bandits. That is how it is. These are the ones we heard from. They are the ones who would come and say: "Oh, you can't give workers a super priority. You can't interfere with the secured creditors. You can't do that. You are going to have credit crunch".

You cannot deal with walk-aways they said. You cannot touch them. We listened to all of that. We listened to the concern of the Canadian Labour Congress which had always in the past supported super priority, but which were concerned that if you give workers a super priority and the operation goes bankrupt there may not be any assets. There may not be any assets from which the workers may get some money. That was the concern they had.

We listened to all of that. Then we said to them: "Be gone". We closed the doors. We had our discussions. We had long discussions and fruitful discussions, and on the major questions we chose to make recommendations to the minister. I want to pick the most important recommendation in my view. Others are important, but this I think was the most important one. It is the one that has occupied my attention since I came into the House of Commons. That was to make sure that when a company goes bankrupt the workers' wages are paid. That was my commitment.

My friend from Broadview—Greenwood knows that. I used to make these speeches. I have private members' bills. The way I see it there is a moral responsibility that goes beyond bankers and financial institutions. If there are assets then the moral responsibility is that their wages get paid first before anything else. That is imperative. From evidence that we received, in 90 per cent of the cases there are assets. When a bank makes a loan to a business you can be darned sure that it protects its bunnies by making sure that there is greater value in the assets than the amount it is lending. And so there are.

When you think about it, the evidence was that this amounts to about $61 million in the government's proposed wage protection plan. Think of all of the loan portfolios out there. Think of what the money is in all of that. Surely $61 million has got to be, in my quick calculation, about less than half of one per cent of the total amount out there in loan portfolios. That for me was the most important question.

The minister had proposed in his bill a wage protection plan which would be contributed to by employers only. Can you imagine a Conservative government in this climate? It has brought on the recession we are in, it has created most of the economic problems this country faces today, and in this climate it is saying to the employers after bringing in the GST: "We are going to put another tax on you".

Here we are faced with the potential of an increase in unemployment insurance premiums come January because the government opted out of that in C-21. It put all of that on to the employers and employees. To make this fund solvent, because it is $5 billion in the hole, you would have to raise premiums 14 per cent in January. Here is a government that is now coming to small and medium-sized businesses and saying to them: "You are going to pay 10 cents an employee a week". The minister says that 10 cents is buying one little peanut, it is not a lot of money. I think he made a comparison to peanuts, or something like that. He said it is not a lot of money. Mr. Speaker, that is where it all starts. It all starts very small.

Think back to what UI premiums were and look where they are today. Look at where income tax started and look at where it is today.

The small and medium-sized business community represented by the Federation of Independent Business clearly came out against that. Look at this prospect. Think about this: There are approximately 500,000 employees in the finance sector of the country. That means the financial institutions will pay approximately $3 million a year.

Mr. Speaker, look at it. Isn't that a wonderful thing? It's like paying for protection to keep your secured creditor position. They have a deal. In fact I would suggest we put in super priority and somebody with a bright idea could invite Lloyds to come in with a suitcase and a computer and offer bankruptcy insurance and make money at it.

I see my friend from Broadview-Greenwood nodding. There is an idea.

This is what we are doing. I have been getting letters from school boards and hospital associations, concerned because they are going to be covered by this. School boards in Saskatchewan have written to me and I am sure other members of Parliament will start getting letters.

• (1650)

In the long run where do school boards and hospitals get the money to pay their employees? They get it from the homeowner.

What this government is doing is putting another tax right on top of a heavily taxed small and medium-sized sector at the moment. I cannot imagine anything more cruel.

There is another question the committee looked at when we discussed the wage protection plan. That is the walk-aways, companies that are not technically bankrupt. They have closed the door. The owners have gone fishing in the Gulf of Mexico. The workers turn up and there is nobody there and no work. We said under the government's plan: "That is not fair". It is not fair at all. Those employers would have paid on behalf of the employees into a wage protection fund, but they are not protected. It seems to me that is not ethical. The money they were led to believe was in the fund on their behalf and the plant is closed but they cannot collect their wages from the fund. We call those the walk-aways.

I want to tell the minister, we are not prepared on this side of the House to give any final approval to this bill unless the question of the walk-aways is dealt with. We in the committee looked at the question of the walk-aways and made some suggestions. We felt they could be handled out of general revenues. After all, the minister has brought in the GST. It is doing very well in the very tough time of recession. He says it is holding its own.

If it is holding its own in tough recessionary times, can you imagine when things get better how much they will be rolling in the dough?

The responsibility is to look after the victims of walk-aways. We felt that was important.

We also heard: "Oh, you are going to have a credit crunch. If you put workers ahead of the secured creditors, you are going to have a credit crunch". When we dealt with the revindication, when we discussed revindication as proposed in the bill, we heard the same argument from the banks. They said: "If you let the

suppliers come and take their goods, 30 days from date of delivery you are going to have a credit crunch".

Quebec has had revindication of goods. The evidence we got from the province of Quebec was that it did not lead to any credit crunch. Credit in Quebec is not higher to businesses than it is in Ontario or any other part of Canada as a result of the fact that it had a revindication of goods.

For heavens sake, do not tell me that the $61 million based on a loan portfolio of billions of dollars is going to create a credit crunch. I do not believe it for one moment.

The other thing we said was that we wanted to speed up the payment to the workers. We suggested that we could move from the proposed six weeks the minister talked about in his wage protection plan to four weeks or less. We dealt with it by providing and dealing with the Canadian Labour Congress concern, the establishment of a fund by the Superintendent of Bankruptcies.

He could increase his administrative charges for bankruptcies and from that fund he could pay whatever the shortfall is in the moneys owed to workers. We increased the workers to $3,000 from $2,000 and we allowed walk-aways $1,500.

I am torn because of the fact that on the one hand I do want to see amendments to the Bankruptcy Act. I do want to see it upgraded, but I am not prepared to sacrifice the concerns of workers in a bankruptcy or in a walk-away just because I want to see some updating of the act.

I want to 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-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other Acts in consequence thereof, as the economic climate makes this an inopportune time to impose a new tax, notably on small and medium size businesses.

The Acting Speaker (Mr. DeBlois): I am ready to make a decision about the amendment tabled by the hon. member for Dartmouth.

After deliberation the Chair finds out of order the amendment tabled by the hon. member. I refer the member to *Beauchesne's Parliamentary Rules and Forms, Sixth Edition*, no. 671(4)

> (4) An amendment which amounts to no more than a direct negation of the principle of the bill is open to objection.

[*Translation*]

The Chair will take under advisement the amendment proposed by the hon. member for Nickel Belt.

[*English*]

Mr. Cooper: Mr. Speaker, I hope you will not take this out of the 10-minute question and comment time but there have been discussions and I believe you will find unanimous consent for the following motion. I move:

> That, at the completion of the time provided for consideration of Private Members' Business today, the House shall suspend for the sole purpose of receiving a message respecting the giving of Royal Assent to Bill C-40, an act to provide for the continuation of postal services, later today, and that following such Royal Assent, upon return to this Chamber the Speaker shall adjourn the House until two o'clock p.m. Wednesday, October 30, 1991.

The Acting Speaker (Mr. DeBlois): Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): 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.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, this is two minutes on questions and commentaries.

I will do this as efficiently as I can. I would like to comment on the two speeches we have just heard, more particularly the allegation that we have had an increase in bankruptcies. The figures which were released last Friday show the contrary. In terms of business bankruptcies, we have a drop from August to September of 9 per cent and a year to year comparison shows a drop of 1 per cent. While the picture is not rosy, it is a distinct improvement over last year.

The question was raised by the hon. member for Dartmouth as to why we should have this bill after a deep and severe recession. I would draw to his attention

the names of a few of our ministers who have had a go at it. The hon. member for Quadra had a go at it, the hon. Ron Basford had a go at it, the Hon. Robert Andras had a go at it, the hon. member for Windsor West and the hon. member for Papineau—Saint-Michel also had a go at it. The question may well be posed. The hon. member for Nickel Belt may have a go at it.

There was another question raised by my hon. friend from Dartmouth about a questionnaire for the Canadian Federation of Independent Business in which my name apparently appeared.

• (1700)

I would point out to him, and he can get this substantiated by two members on his side who have been parliamentary secretaries, that when you become a parliamentary secretary you go on a very tight learning curve and you can learn a lot more in a hurry about an issue. I certainly have learned a good deal about the whole issue of super priority. I can tell the hon. member, as will be brought out in debate I am sure in the hours to come, that—

The Acting Speaker (Mr. DeBlois): I apologize for having stopped the hon. member but it being five o'clock p.m., pursuant to Standing Order 36, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

NATIONAL DEFENCE

LOW-LEVEL FLIGHTS

Mr. Dan Heap (Trinity—Spadina) moved:

That, in the opinion of this House, the government should consider the advisability of ending all NATO-NORAD low-level flight training in Canada, rejecting the establishment of NATO operations in Canada, including the proposed tactical fighter and weapons training centre at Goose Bay, Labrador, and redirecting Canada's NATO-NORAD funding toward enabling Canada's aboriginal people to regain control of their lands and their livelihood and promoting sustainable development for all Canadians.

He said: Mr. Speaker, I am very glad of the chance to speak on this motion that I have introduced. Although the matter of the low-level flights over the aboriginal people of what we call Labrador and eastern Quebec is much in the news, the low-level flights are continuing. Even though for the time being NATO has said it does not want to establish a base there, it is clear that the Canadian government by its statements earlier this year regrets that decision and would be happy if NATO would reverse that decision.

Therefore, both in the present and as a future possible threat, this matter of the low-level flights over Nitassinan, which is the name given to it by the people who have lived there for 9,000 years, is a serious threat to the people over whom the flights are tested.

I want to touch on the historical background first of all. While it only concerns a few thousand people in one corner of Canada, it is an example of something that has been going on for several centuries, that is to say the wilful destruction of indigenous people by the people who have been moving out from Europe and settling places like North America. These people were not causing anyone else any harm. They have not made war on anyone. They have simply lived there for about 9,000 years, according to what we are told and they want to continue living in the land that they have occupied.

They have lived there by sharing the land. They do not put fences around a plot and say: "You can't walk on here unless you pay me rent". They share the land they believe was created by the Creator to be used by all people with reasonable sharing and that includes the people who are yet unborn, the future generations. The land should not be damaged so that they cannot use it.

In their way of life, they live by co-operation. The children, parents and the elders live together in their settlements and moved as was necessary because of the limitations of the food in any one area. They maintained for dozens of generations a society of mutual respect.

I do not mean that nothing ever went wrong in there, but society was based on an assumption of mutual respect so that problems that did arise could be dealt with, with co-operation. This shows even in the present time, because it is a little less than half a century since most of these people were brought into the style of life that was imported into that land and other parts of North America by the immigrants from Europe, the ancestors of so many of us.

When these people are able to live on the land in their own way, their family life, their social life is much healthier. It is when they accept being drawn into makeshift housing settlements around places like Goose Bay that many of them fall into difficulties and addictions and bad habits which they have a difficult time to control.

They are not the only ones in our settlements who have these bad habits, but they show particular vulnerability to them except when they are able to go back for half the year at a time and live on the land which is where their social organization, their moral tradition is founded.

For the last four decades we have increasingly prevented them from doing this. We took a chunk of their land because we found there was a rich iron mine. They were simply pushed out of that. They were not allowed to hunt there to the extent that the hunting interfered with the iron mine operations and the transportation to and from the iron mine and the city that grew up there.

Then we found the opportunity to create a great hydro dam on the Churchill River. We flooded a section of the Churchill River. We covered not only their hunting grounds but the grounds where their ancestors were buried, a number of them. Without any notice the waters began to rise and they had to get out, taking what belongings they could take with them in a hurry.

They were given no compensation for it. We simply took their land by an act of violence, even though it may not have involved any physical fighting between any of us and any of them.

Then in the more recent decades we have again taken their land and large chunks of their land for low-level flight training, training of NATO flight pilots for wars somewhere else but having an immediate destructive effect on the people who lived there for 9,000 years and in fact, according to all reports, having the effect over a number of years of endangering the very existence of that society and even within that, then, the physical, social and moral well-being of the individual people.

This present low-level flight training means that pilots are trained to fly about 30 metres above the ground over the hills, up and down, and especially along the river valleys.

The argument is that by doing this, when they are attacking places like eastern Europe they can fly underneath the radar undetected in order to bomb or strafe enemy targets in the rear of the enemy's supposedly advancing armies.

Great Britain, Germany and Netherlands at present continue this low-level flight training. Italy may be joining them. The United States, for reasons of expense, has temporarily pulled out, but earlier this year the government predicted that there would be 7,000 or 8,000 flights per year over these zones of the inner land in order to train these people for attack.

The Department of National Defence announced that it would hope it would actually rise to more than 18,000. I do not know yet actually how many there have been this year or will be although the season is nearly ended.

The inner people are being harassed, terrified and damaged by these low-level flights. When you are out in a canoe with your family fishing or whatever else is to be done in a canoe and the plane comes over you at 30 metres, it is terrifying. There is the startle effect. There is the general stress effect of extremely loud noise and there is the uneasiness afterwards wondering when those planes will come back.

Children have been known to jump out of the canoe into the water in their terror and some of the children now do not wish to go with their parents any more to the land because of the terrifying effect of the fighter airplanes. It is not only low-level flying. It is also bombing practice. They do not, as far as I understand, actually use live bombs but they set up targets and identify them photographically by the simulating attacks of the airplanes. There are 57 of these bombing targets unidentified on Innu land and they are planning to build another such area northwest of Goose Bay for bombing targets.

• (1710)

This Innu land that is being used for targets also extends into eastern Quebec, in fact about 50 per cent of the low-level flight area is in Quebec around the towns of Natashquan and La Romaine. The Innu people there have suffered very heavily as have the Innu people living in Labrador.

There have been environmental studies. The environmental assessment panel is still studying it. I do not know how long it will take to study it. They want to revise their study because of the present removal of the plans for a NATO base, but according to the Innu people most of the faults of the plan identified within the study are still there, that is 36 out of the 38 deficiencies in which they

are deficient from standards set by the environmental assessment panel.

The Innu people in Labrador have agreed to enter preliminary discussions about land claims which were long delayed by the government. They were put way down the list for land claims while the destruction of their land continues. They are willing to enter preliminary discussions with the governments of Canada and Newfoundland. They hope that maybe in a year and a half they will be able to define the scope of the negotiations for land claims and find out whether there will be some interim protection measures rather than chasing the people out of the land while we have a long-winded debate about whose land it is and what claims those people have there.

It is like the principle of being innocent until you are proved guilty. You should not be driven out of your land while it is being decided whether that is your land when you have been living there for 9,000 years.

The government claims it is uninhabited. What it means is that these people do not have a piece of paper saying: "This is a title deed and I own this land", but they have occupied that land for 9,000 years.

In Quebec the land claim discussions are going ahead under *Le Conseil attikamek-montagnais* that represents the Innu people there under that name.

As I said these noise levels from the flights have been identified as being very harmful primarily to the people but also to the caribou which is a major source of food in the half-year when they live on that land, to migratory waterfowl and birds of prey, also sources of food, and partly because the exhaust of the airplanes and the fuel that they sometimes dump into the rivers or lakes contaminate the waterways and contaminate the moss that the caribou eat.

The Department of National Defence has claimed that they have an avoidance strategy of staying five kilometres away from any concentration of caribou or waterfowl. What the Innu claim is that in too many of the sensitive areas it is not possible because the Innu and the caribou or the waterfowl that they hunt tend to use the waterways, the rivers and lakes, and that is what the low-level flights use. They follow the valleys. That is the whole point: flying low in the valley to keep underneath and out of detection of the radar.

They both want the same areas and it has not been possible in fact for the low-level flights to avoid them. In spite of the stated policy the low-level flights, for example, continue at Shipiskan Lake and at Wuchusk Lake. The DND finds out where they are because when they fly in there in the spring the bush pilots know where they deposited them. The DND have them registered there in their published memos known as Goose Bay Operation Directives. These two lakes, Shipiskan and Wuchusk, were both listed on the operations directive for May 31, 1991, but they still receive frequent overflights. It has been going on all summer. DND is not serious in claiming that it tries to avoid these people. It just does not avoid them. It knows they are there and still overflies them.

The Innu have done everything they can to make their point. They have spoken to the government for years. They pointed out that they were never conquered, never ceded their land. All they want is to be allowed to live in peace, which they did before we came.

They have complained to Ottawa. They have been put off with discussions of land claims some time in the future, while the flights go on. They have won support from a good deal of the public and the churches in Canada, but also in the United States, in Britain, in The Netherlands and in Germany because these people know what the low-level flights are like. They demanded that the low-level flights be eliminated or at least greatly reduced in those countries, and so they understand what the people in Labrador and eastern Quebec are suffering.

What is at stake here is not only the appeal of the present generation, but a deeper principle. These people are have respected the ancient tradition of maintenance of the land for themselves, their neighbours and future generations. Right now they have been willing to defend the land.

When I visited there two years ago one lady told me that on her grandfather's deathbed he said: "If the white people come, don't bother them; but if they hurt the land, defend it". She did, with others, defend it non-violently. She and others walked on to the airstrip and dared the planes to land while about a hundred or so of them were sitting there. Families went, mothers, fathers,

children and the elders walking with canes, and sat down on the airstrip.

They knew they faced courts, they knew they faced prisons, but they had to make their point to defend their land in the only way they could. The system of land sharing, which is many thousands of years old in all parts of the world, has now come face to face with the very recent invention of private property of the land and all the wars that go with private property in the land, and with the most mighty war machine in the world, the NATO air force along with its army.

There is no justification for continuing this. Nobody thinks Russia is going to invade Canada or western Europe. The whole rationale that was put forward for this has totally collapsed over the past couple of years. But the low-level flights continue.

In fact, low-level training has never been used in eastern Europe but it has been used in the Middle East, in the gulf war against the people of Iraq, where there was little or no danger of their being detected by radar. In other words, this technique is continuing to be used, people are trained to use it, not so as to defend Canada or western Europe from invasion by the Soviet Union but to be used when we, as extensions of the west European nations, intend to invade other lands, whether it is to take the oil of the Middle East or something else, whether it be in South America, in Africa or in parts of Asia.

In order to be prepared to destroy other indigenous people, we are now year by year destroying the indigenous people of parts of northeastern Quebec and of Labrador. It is a shame that the Canadian government continues to do this, either for profit or for the sake of imperial conquest in the southern parts of this globe.

Mr. George Proud (Hillsborough): Mr. Speaker, I rise today to speak on the motion put forward by the hon. member for Trinity—Spadina.

• (1720)

There has been an air base at Goose Bay since 1942. There was no community there before that so the air base is the community.

Of course the mission since the 1960s has been low-level flying. This practice is carried on over the Ungava Peninsula because the terrain is similar to that to be overflown in eastern Europe and because of the density of the population in western Europe, particularly West Germany. What is practised is flying at low altitude so as to avoid enemy radar.

There are those who say the mission should not be carried on because, first, it is offensive not defensive.

The Follow on Forces strategy is designed to penetrate deep into enemy territory, but only following an enemy first strike. The policy of NATO is still no first strike. However, once attacked the policy of NATO for Follow on Forces is to penetrate enemy territory so as to attack installations behind the front line and to disrupt supply lines. In that context it is a defence measure.

Second, it sends the wrong signal and we should discontinue low-level flying as a Canadian contribution to NATO.

We are a partner in NATO. The low-level flying is part of our contribution to NATO. It should only be discontinued as part of a NATO strategy and after consultation among NATO partners.

Peace is breaking out rapidly. But because we were strong not because we were weak. A time of rapid change is not time to make change in defence posture unilaterally, rather reduction of forces should be balanced. It may be that in the course of disarmament discussions the Follow on Forces attack policy of NATO will be discontinued and low-level flying deemed unnecessary. That is a decision for NATO.

Third, the Innu consider Labrador their homeland and the low-level flying a threat to their culture and environment.

The Innu are the original people of Labrador. There is no question that the Innu society today is fragile or that the Innu, a minority in Ungava, feel threatened by the society of the majority all around them, or that there are other serious problems in their communities, such as alcohol, abuse, social decay.

But others consider it their homeland too—the Inuit, the Métis, the Newfoundlanders, those from other parts of Canada, including Quebec. People from all these latter groups work at Goose Bay. Some are second and third generation residents. If the base were to close, the jobs, homes, schools, businesses that these people have built and are building would disappear, all in a province which has the highest unemployment rate in Canada, and the lowest per capita income, where the main

industry, the fishery industry, is in crisis, and where there are no obvious alternatives.

The Innu have rights. The others who live in Labrador have rights too. How are the rights of all the people of Labrador to be addressed? Or what must be done to ensure that all the people of Labrador live in harmony and that some do not threaten or displace others.

A process is in motion that will shed light on the problem. FEARO, the Federal Environmental Assessment Review Office, has received the environmental impact statement regarding low-level flying and the NATO base and will be holding public hearings this winter.

My position is that we should wait for the report of the FEARO panel before deciding for or against low-level flying, for or against the NATO Tactical Training Centre, which NATO cancelled its plans announced May 22, 1990. Beyond that, the situation remains basically the same particularly with respect to the importance of the military to the well-being of the community.

I hope an accommodation can be found that will allow all of the people of Labrador to live in harmony. The first step in the right direction is an immediate start and a speedy conclusion to the settlement of Innu land claims. Within this land claims process provision must be made for the tailoring of military activities to fit the livelihoods of local people.

I hope and I believe this is possible.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, today the hon. member for Trinity—Spadina has put forward three proposals. The first that the government should consider the advisability of ending NATO and NORAD low-level training in Canada. Second, we should reject the establishment of NATO operations in Canada including the training centre that was at one time proposed for Goose Bay. Third, we should direct the funds now spent on NATO and NORAD toward enabling Canada's aboriginal people to regain control of their lands and their livelihood in promoting sustainable development for all Canadians.

The wording of the motion suggests that the hon. member does not fully understand the reason for low-level flying in Canada and does not understand all the social and economic impacts of what he really is proposing. The lack of understanding is not surprising since there is a lot of misinformation out there concerning low-level flying in general and about Goose Bay in particular.

I am afraid that many well meaning Canadians share the hon. member's confusion. I welcome this opportunity to try to clarify some of the issues.

Let me begin by explaining just how much low-level training is really being conducted here in Canada. On the NORAD side no routine low-level flying is conducted by NORAD assigned aircraft except in designated areas associated with our flying training schools, such as the one at Cold Lake in Alberta.

However, the United States Strategic Air Command does from time to time conduct low-level navigation training along authorized routes within Canada. On occasion Canadian NORAD assigned fighter aircraft conduct practice interceptions of these aircraft and may for brief periods operate at low altitudes.

I do not believe however that these are the flights that are causing concern for the hon. member. Strictly speaking, no NATO low-level flying is conducted in Canada either. However, three NATO nations are entitled to conduct low-level training out of Goose Bay, Labrador, under the terms of bilateral agreements with Canada. This training is frequently referred to as NATO training.

I have no objection to that terminology except to note that it is strictly not accurate. At one time Goose Bay was being considered by NATO as a site for a new tactical fighter centre. In early 1990 NATO abandoned the proposal to establish that centre. The tactical fighter and weapons training centre referred to in the motion is therefore essentially a dead issue.

Any comments that I shall make about Goose Bay today will apply to our existing bilateral agreements, not to the NATO centre mentioned in the motion.

To understand the significance of what the hon. member is proposing, one has to understand why low-level flying is necessary. Many people I regret to say have been led to believe that allied pilots operate at low-level altitudes solely as means of flying undetected over eastern European countries en route to launch a surprise attack. That idea of course is ludicrous, but it is actively promoted by various groups, groups who are opposed to

Canada's involvement in NATO and who do not let the truth interfere with their anti-military agendas.

In fact, low-level flying is a vital part of virtually all tactical fighter operations. Modern air defence weapons are so accurate and so fast in reacting that the life expectancy of a pilot operating in altitude of much more than 30 metres in hostile airspace would be measured in minutes, if not in seconds.

Fighter aircraft must operate over hostile territory if they are to be of any use. If allied nations should ever become involved in a war, fighter aircraft would be a key factor in protecting friendly troops and preventing enemy forces from sustaining an advance.

• (1730)

Many of their missions would be flown at low altitudes over enemy held territory, relatively close to the front lines. Therefore, it is essential that fighter pilots feel as much at home at 30 metres as they do at 300 metres and that takes a great deal of training and a great deal of practice.

I am told that high speed low-level flying is perhaps the most challenging role that any pilot will ever face and that those who lack proficiency become a menace to themselves and to others.

Canadian and other allied pilots should not be expected to risk their lives on our behalf unless they have been given the best training available and that includes low-level flying.

To suggest that low-level flying is a needless frill or worse, that it is an aggressive tactic associated solely with a first strike strategy, is both inaccurate and irresponsible. The question is not whether low-level flying training is necessary, but rather where it should be done.

The hon. member for Trinity—Spadina has suggested that it should not be allowed in Canada. Presumably he wonders why our allies do not train in their own countries. They do train in their own countries to the best extent possible.

Each year about 80,000 low-level training flights are conducted in the United Kingdom alone. That is about 10 times as many flights as are conducted out of Goose Bay by all the allied participants combined.

However, there are problems with low-level flying in Europe. This kind of training is difficult. It is difficult because the countries are small and densely populated and the landscape is dotted with towns, power lines, hospitals, airports and other obstacles to low flying aircraft. Many restrictions are, therefore, necessary on both the routing and the altitude within Europe.

In Canada, on the other hand, we can designate low level training in areas that have none of these obstacles. We can offer a resource to our allies that is unobtainable elsewhere, and that resource is space.

To deny our allies the use of that resource for a relatively modest low flying program that lasts only eight months of each year would call into question Canada's commitment to the allegiance.

There is no free ride. If Canada is going to derive the benefits of collective security and if we are going to use European air space for our own training programs as we have done for years, then we must be prepared to make a contribution in return. The provision of low level training areas is only one way in which we can make an immensely important contribution to the alliance at very little cost.

It is no secret that the New Democratic Party has long opposed our membership in NATO and has long objected to our contributions to the alliance. Few members of this House will therefore be surprised that the motion now before us calls for an end to both our financial contributions and our provisions of air space for low-level flying.

I would like to go on record today as saying categorically that this Government of Canada does not subscribe to those isolationist views. We regard NATO as one of the cornerstones of our foreign and defence policy and will continue to support it politically, militarily and financially as long as the need exists.

That is not to say that we believe in business as usual. Far from it. With the changes that are now taking place in eastern Europe, the role of NATO will certainly change. We will see, for example, a grater emphasis on the political component of the alliance and less on the military component.

We will see a diminishing reliance on nuclear weapons, but the value of NATO as a force for stability and international co-operation will most definitely continue.

In the months and in the years to come we can expect to see NATO play a larger role in the disarmament efforts in establishing contacts with the countries of eastern Europe. As a matter of fact, Canadians can hold their heads high in Europe because they have always done their share.

I believe Canadians want to continue to do their share to reaffirm and reconfirm their commitment to collective defence. I believe that Canadians would want us to defeat the motion now before us and I propose that we do just that.

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I would like to thank my colleague from Trinity—Spadina for presenting this motion.

I am not sure it is going to be voted on, but in any case I am sure if there were a vote we would find the Liberals and Conservatives again voting on the same side. They almost read off the same speech notes. I would not be surprised about that either.

The Conservative member was so eloquent about low-level flying I thought for a moment she was going to recommend that it be done over southern Calgary.

I understand from the member's interjection that she is saying it should be done over northern Alberta.

It is interesting that low-level flying is okay to that member, provided it is done over land that she considers empty land. What I am suggesting is that is one of the problems in Canada. Nobody is talking here about our commitment to NATO or to NORAD or to good training for our military personnel.

We would all like to see our military personnel flying under the safest possible conditions. What we are talking about here is a concept that is of concern and is disturbing to many Canadians. That is the idea that land occupied now and for the last 9,000 years by aboriginal people is considered empty land.

That is an attitude which suggests that aboriginal people in this country are non-persons, and that is the concern that I have.

The member talked about our commitment to the alliance. I think everybody in this world recognizes that Canada has made a commitment to NATO, is a member of NATO and exercises its commitment and lives up to its commitment.

What is this alliance set up to serve? My understanding was that the alliance was established at the time of the last war to defend the democratic states of Europe and North America, and to make sure that those nations on the other side which did not defend the rights of individuals and the rights of human beings would end up not being triumphant in that war. That is why NATO was put together.

It seems to me that this low-level flying base violates the principles upon which NATO was originally established, because if what we are saying by continuing low-level flying over aboriginal territory is that they have to sacrifice their rights, their subsistence and that their lives, their futures and their land are of no consequence at all when measured against our commitment to the alliance, then that alliance no longer is based on the principles upon which it was established in the first place.

I think that is the issue that Canada should be re-examining when it looks at what it is doing to the Inuit people in northern Labrador and Quebec.

The Prime Minister in the last little while has been travelling to Commonwealth conferences and cabinet ministers have been travelling to China for example suggesting that in the future Canadian foreign aid is going to be tied to human rights performance on the part of the recipients of Canadian aid.

I think in cases such as this we should be examining exactly what Canada's human rights performance is and how we treat our aboriginal people. Canada's image is examined around the world and the image that many people have of Canada and its human rights record was formed at the time of the Oka dispute last summer when they saw the Canadian Armed Forces of 2,000 people lined up against 55 Mohawks who were attempting to defend their land and the rights to their land within the province of Quebec.

• (1740)

That is the image that many people around the world have of Canada and its performance with respect to human rights. The image that many other people have across the world when they hear Canada talking about human rights is the image of an aboriginal Innu woman being dragged off a runway in northern Labrador and dragged into court because she had the temerity to try to defend her land and her subsistence against the multi-million of dollars that were being spent to establish a low-level flying training base in Labrador.

The image that many people have of Canada and its human rights performance around the world is the image of Innu and aboriginal communities in northern Canada where there are no flush toilets, where there is no running water, where there is no adequate school system, where there is no adequate health care services, where families have disintegrated as a result of the way that Canada has treated those families and isolated them on the margins of Canadian society. That is the image many people have of Canada's human rights performance that the Prime Minister is trying to defend at Commonwealth conferences and in the meetings of NATO.

I suggest that the issue we are debating today is an issue of Canada's human rights performance. What the member opposite was saying was that the government considers land occupied by the Innu now and from time immemorial to be empty land. I say that is part of the problem we are experiencing in this country. This government considers northern aboriginal people as non-people. That is the issue we are dealing with here.

Nobody is suggesting that there should not be low-level flights. That is a red herring. Nobody is suggesting that our pilots and the personnel in the armed forces of Canada and other members of the alliance should not have the kind of training they need in order for them to be safe and effective. That is not the issue here. That is not what we are talking about.

What we are talking about is the fact that Canada has selected from among all of the areas in Canada land occupied by aboriginal people in order to do this low-level flying. It has said said that the subsistence, the hunting and fishing that these people do is secondary. It has said that these people are second-class citizens in terms of their right to hunt and fish free of the interference of foreign and Canadian military fighters doing their low-level training over the area, because it has never been questioned that this kind of flying has interfered with the subsistence activities of the Innu people and deprived them of the right to hunt and fish with some security. Nobody has ever suggested that.

The problem here is not as the member for Calgary suggests, that the NDP is opposed to Canada's participation in NATO. The problem is not that we would like to see our fighters go without low-level flying training. The problem here is that Canada does not respect the very human rights that it commands other countries in the world to respect as a condition of receiving foreign aid from us.

I would hope that the member from Calgary would reconsider the statement she made. I would hope that the Liberals would reconsider the position they have taken on the Goose Bay, Labrador site and the low-level flying training that takes place in northern Labrador and Quebec. This training is destroying the livelihood of Innu people. It is destroying the way of life of those Innu people. It is being done without their consent. It is being done in violation of their human rights. It goes against the principles that all Canadians claim to stand for. It goes against the principles that the Prime Minister trumpets Canadians stand for around the world. We should all in this House reconsider that base in northern Labrador and we should do away with that base.

On the other hand, nobody is suggesting, as the Liberal member suggested, that if we shut down the base we should do away with schools and hospitals and community services in that area, because this party has always suggested that there be a conversion strategy. That conversion strategy would plan a peaceful transition from a base in northern Labrador that is based on flying training for the purposes of war and destruction, to an economy that is based on peaceful uses. I suggest that one way we might do that is to develop through negotiations with the Innu people and through a land claims and a resource settlement the kind of economic development which would incorporate not simply the non-Innu people who live in that area, but the Innu and the non-Innu people so that jobs could be created, resource development could be embarked upon and we would not require that military base in order to maintain jobs, community infrastructure, health, education and social services facilities. That is what we should be looking at. It is unfortunate that the member for Calgary and the Liberal member who spoke did not direct themselves to those kinds of solutions, rather than simply adopting the solutions that look to the past.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I too am pleased to be part of this debate today. There has been much discussion in a pretty general way about this low-level flying program. In the next few minutes I would like to go into more detail

about the program and its economic impact on the local community.

Both those topics have a bearing on the third part of the motion now before the House, that money be diverted from NATO and NORAD to support aboriginal people and sustainable development. In a typical year our allies who participate in the Goose Bay program—Great Britain, Germany and Netherlands—arrive at Goose Bay in March or April, leave in October or November, and fly about 8,000 low-level sorties while they are there. Lest I be accused of using military jargon, I should perhaps explain that a sortie consists of a take-off and a landing.

If we were to compare the total military activity rate at Goose Bay with the rates experiences at civilian airports in the country, we would see that it is about half that of Lethbridge, Alberta, about one-seventh that of Ottawa or about one-fourteenth that of Toronto. The low-level flying itself takes place in two specially——

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. DeBlois): Order, please. I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed the following bills without amendment: Bill C-23, an act to amend the Canadian Wheat Board Act and Bill C-16, an act to amend the Agricultural Products Marketing Act and to provide for other matters in relation thereto.

* * *

NATIONAL DEFENCE

LOW-LEVEL FLIGHTS

The House resumed consideration of the motion of Mr. Heap (p. 4193).

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, the low-level flying itself takes place in two specially designated areas that together total about 100,000 square kilometres. That is an area 17 times the size of Prince Edward Island or almost twice the size of Nova Scotia. In comparison with Europe, it is about 40 per cent larger than Belgium, the Netherlands and Luxembourg combined. Within that vast area of Canada there is not a single permanent resident. The day-to-day population density in other words is zero.

Compare that with a population density of about 300 persons per square kilometre in northwest Europe and we can immediately appreciate why the Goose Bay area is so well suited to low flying operations. If the entire population of Canada were to be moved into the Goose Bay low flying area, the resulting density would still be lower than that of the Netherlands.

It is true that hunting and fishing parties occasionally enter the flying areas for periods of up to a few weeks at a time. At the peak of the season these transient groups may increase the population density to about one person for every 100 square kilometres. Although that density is still extremely low, the equivalent of about two bus loads of people in the province of Prince Edward Island, we recognize that no one likes to be overflown by low flying aircraft. The military, therefore, have avoided low overflying areas where any persons are present and continues to offer to avoid low overflying any person or group whose position is made known to them. If a group already in the area should decide to change its movement plans, the military is willing to change its flight routes daily if necessary to accommodate them. Since most groups are in radio contact with the outside world the passing of revised travel plans should not be a problem. Overflights in the Goose Bay area are a problem only for those who wish to make them so.

• (1750)

By contrast, the Goose Bay low flying program brings major benefits to the community of Happy Valley, Goose Bay. During the flying season the base employs approximately 900 civilians, about one-third of whom are aboriginals, and generates an additional 1,000 to 1,200 indirect jobs. In total the base is responsible for about half the employment in the local area. In 1991 alone the base will contribute over $100 million to the Labrador economy through wages and local purchases.

We are looking here at what is essentially a one-industry town. The base exists solely to support the low flying program. If that program were to be terminated, as my hon. friend has suggested, all those jobs and all those

expenditures would cease almost immediately. We would see a thriving economy destroyed virtually overnight.

I wonder whether the member for Trinity—Spadina is aware of that. I wonder whether his party, which professes to have so much concern for the average Canadian, is aware that its doctrinaire, anti-military agenda for the Goose Bay region could force hundreds of people out of work and on to the welfare rolls.

Perhaps the hon. member feels that other industries could be attracted to the Goose Bay area to compensate for the loss of the base. If he has any ideas, I know that the people of Happy Valley, Goose Bay would be pleased to hear them. They have tried over the years to develop other industries in Labrador but none has produced more than a few scattered jobs and only a few have been economically viable.

The fact is that it is not easy to replace a $100 million a year industry in a relatively isolated part of the country. In case my hon. friend is thinking that we could merely the divert the money that is now spent on the flying program to some pie in the sky make work project or to increased welfare payments, let me set the record straight on that idea too. Most of the money being spent in Goose Bay comes not from Canada but from the European user nations. If the low flying stops the funding stops with it.

I am not suggesting that everything about the low flying program in Goose Bay is problem-free and heartily endorsed by all local residents. Problems do exist and some local residents, particularly those in the nearby aboriginal community, object strenuously to the program. But we believe that the problems can be overcome if all interested parties would work together to find solutions.

In the past five years DND has spent almost $7 million on various environmental studies to ensure that the low flying program is environmentally acceptable. In addition, the government has provided more than $2 million to the association that represents the local aboriginal communities so that they may prepare land claim documentation. A further $1 million is being spent each year by the user nations for monitoring and mitigation projects aimed at reducing or eliminating environmental problems.

The government is doing everything reasonably possible to make the Goose Bay project environmentally and socially acceptable to everyone.

No, the Goose Bay project is not without its opponents, but then how many $100 million a year industries are. In my view the benefits of the low flying program to the community of Happy Valley, Goose Bay, to the province of Newfoundland and Labrador, and to the aboriginal people who wish to take advantage of it far outweigh the real or imagined disadvantages.

That notwithstanding, if it can ever be shown that the environmental problems outweigh the economic, social and military benefits, we are prepared to terminate the program at the earliest possible opportunity.

Let me move now to the final proposal embodied in the motion now before us which calls for a redirection of NATO and NORAD funding to aboriginal programs and the promotion of sustainable development.

I find this part of the motion particularly intriguing. Does the hon. member really believe that support for aboriginal peoples and for sustainable development should depend on cancellation of programs that have been a cornerstone of Canadian foreign and defence policies for decades? Is he really serious in that proposal? I suggest not.

I suggest that the motion is nothing more than a blatant attempt to curry favour with aboriginal peoples and the unemployed in the full knowledge that the underlying proposal could never be accepted. It is grandstanding.

Of course the Government of Canada will provide funding for aboriginal development. We already devote billions of dollars every year to various aboriginal programs including those associated with land claims and we are opening up new avenues every year.

Of course, sustainable development remains an objective of the Government of Canada. Why should the fate of those very worth-while programs hinge upon our withdrawal from NATO and NORAD? Where is the connection? There is none, except in the minds of the members opposite.

To conclude, let me review very briefly just what we are being asked to support. First, we are asked to deny our allies the right to use Canadian air space for training that is an essential part of military preparedness and that cannot reasonably be accomplished elsewhere. If we do

that, we will show ourselves to be an unreliable ally and will lose much of the respect we now enjoy in the alliance. At the same time, we will cause mass unemployment and hardship in an area of the country that has few, if any, employment options. The proposal is foolish in the extreme.

Second, we are asked to reject the establishment of NATO operations in Canada, including the proposed NATO tactical fighting centre. The NATO tactical fighting centre is the only NATO operation that has been considered for Canada and even that has been a dead issue for months. It is hard to understand why the hon. member is still concerned about it. If some other NATO facility were to be proposed for Canada, I suggest that the only reasonable response would be to examine it on its own merits. To ban all future NATO operations in Canada, even though none have been proposed, would needlessly call into question our commitment to the alliance. The proposal is pointless and potentially damaging.

Finally, as I have discussed, we are asked to terminate all NATO and NORAD funding so that we may divert the money to aboriginal and developmental projects. How very short-sighted that would be. Membership in NATO and NORAD provides Canada with influence in Washington and European capitals that we would otherwise lack. It enables us to advance our views about disarmament and international co-operation. It keeps us in the forefront of developments in eastern Europe and it enables us to maintain surveillance of our coast lines and to participate in other aspects of North American defence at minimum cost.

We are not so desperate that we must terminate our membership in very important international organizations so that we may further fund domestic programs, no matter how worth while they may be. The proposal, as I have already suggested, is probably nothing more than window-dressing for the NDP political agenda.

In short, the motion now before the House has nothing to recommend it. Its approval would do immeasurable harm to our international relations and our defence posture and would effectively kill a small town in one of the less advantaged parts of this country.

I invite all members of the House to join me in expressing their total rejection of an ill-conceived motion.

[*Translation*]

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, I listened carefully to today's debate on low-level flights near Goose Bay as part of Canada's commitment to NATO. I think that we must understand NATO's role in the world.

I have often heard members from the New Democratic Party say that Canada should withdraw from NATO because we have nothing to gain by remaining in that organization.

• (1800)

Mr. Speaker, one must remember that NATO is crucial to stability in the new Europe. This is not a new organization. It brings together politicians; it is a political group of 16 democratic countries. These are not totalitarian countries; they are not countries that do not believe in democracy; they are democratic countries.

I sincerely believe that we, as North Americans, must also give our support to these people. I was listening earlier to the member who presented the motion. He was telling us that airplanes flew at an altitude of some 30 metres. Mr. Speaker, if my calculations are accurate, 30 metres is roughly a hundred feet high. I wonder if the hon. member meant 300 metres when he said 30 metres—

The Acting Speaker (Mr. DeBlois): It being six o'clock, the time provided for the consideration of private members' business has now expired.

[*English*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

SUSPENSION OF SITTING

The Acting Speaker (Mr. DeBlois): It being six o'clock p.m., pursuant to order made earlier this day, the sitting of the House is suspended to the call of the Chair for the sole purpose of receiving a message from the Senate, respecting Royal Assent of Bill C-40, an act to provide for the continuation of postal services.

The sitting of the House was suspended at 6 p.m.

The Royal Assent

[*Translation*]

SITTING RESUMED

The House resumed at 6.10 p.m.

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate has passed Bill C-40, an Act to provide for the continuation of postal services, without amendment.

* * *

[*English*]

THE ROYAL ASSENT

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that a communication has been received as follows:

October 29, 1991

Mr. Speaker,

I have the honour to inform you that the Hon. Claire L'Heureux-Dubé, Puisne Judge of the Supreme Court of Canada in his capacity as Deputy Governor General will proceed to the Senate Chamber today, the 29th day of October, 1991, at 6.10 p.m. for the purpose of giving Royal Assent to bills.

Judith A. LaRocque
Secretary to the Governor General

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

[*Translation*]

And being returned:

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that when the House went up to the Senate Chamber, the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-14, An Act to amend an Act to provide for the appointment of a Port Warden for the Harbour of Quebec and An Act to amend and consolidate the Acts relating to the office of Port Warden for the Harbour of Montreal, and to validate certain fees and charges established pursuant thereto—Chapter 32.

Bill C-23, An Act to amend the Canadian Wheat Board Act—Chapter 33.

Bill Ç-16, An Act to amend the Agricultural Products Marketing Act and to provide for other matters in relation thereto—Chapter 34.

Bill C-40, An Act to provide for the continuation of postal services—Chapter 35.

Bill C-202, An Act respecting a national day of remembrance and action on violence against women—Chapter 36.

Bill S-3, An Act to amend the Act of incorporation of the Seventh-day Adventist Church in Canada.

[*English*]

Pursuant to order made earlier this day, this House stands adjourned until tomorrow at 2 o'clock p.m. pursuant to Standing Order 24(1).

The House adjourned at 6.23 p.m.

HOUSE OF COMMONS

Wednesday, October 30, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PEARSON INTERNATIONAL AIRPORT

Mr. Sergio Marchi (York West): Mr. Speaker, the problem of airport noise from Pearson airport is very real and continues unabated.

The airport's surrounding communities have had to endure frequent aircraft take-off and landings every 30 seconds in late night flights on the routes directly over their homes well past the established airport's curfew.

During my meetings with the numerous community and ratepayer groups along with hundreds of local residents in my riding, they demand that the Minister of Transport enforce the regulations at least to alternate flights to and from Pearson on runways 24R and 24L.

In addition, the cavalier attitude expressed by the Parliamentary Secretary to the Minister of Transport against community groups is offensive to their concerns and displays his lack of understanding of the problem at hand. His misguided comments in the Mississauga news, for example, show blatant disregard for the plight of the public.

The minister and government must act now so that the pleas of community groups living around Pearson are not drowned out by airport noise or any noise emanating from the government benches.

* * *

[*Translation*]

CANADA POST

Mr. Guy Saint-Julien: Mr. Speaker, I would like to thank the hon. Marcel Danis, the Minister of Labour and member for Verchères, who managed to include an amendment to section 7 in the special back-to-work legislation for postal workers.

Thanks to this amendment, postal workers were able to have the legislation cover certain items on which agreement had been reached during the mediation process under Judge Alan Gold.

Mr. Danis did this to ensure that what had already been accomplished during the process would not be lost.

* * *

[*English*]

NUCLEAR VESSELS

Mr. John Brewin (Victoria): Mr. Speaker, today the Minister of National Defence announced that the government was consenting to all future visits to Canada of U.S. and U.K. nuclear powered and nuclear armed military vessels.

This decision is taken without any public participation or consultation. In fact by using the Order in Council route, a procedure already ruled illegal by the Canadian courts, the government is deliberately seeking to avoid a public environmental review.

The consequences of a nuclear accident, especially in built-up areas such as Victoria, are incredibly serious. Emergency procedures are not fully in place.

Finally the decision flies in face of the rapid de-escalation of the nuclear arms race. Instead of taking this particular position the government should have shown leadership and placed a moratorium on nuclear visits to Canadian waters at least until a full public independent environmental assessment takes place.

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WHITE RIBBONS AGAINST PORNOGRAPHY WEEK

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, many church congregations throughout my constituency of Brandon—Souris are actively participating in White

Ribbons Against Pornography Week, October 27 to November 3.

I would like to take this opportunity to add my words of support to this campaign. In an age of increasing violence, which seems to be particularly and tragically directed against women and children, society must do all it can to negate the all too present message which erroneously suggests to some that such violence is an inevitable part of life.

Society must also address the problem of the production and utilization of pornographic materials, and particularly when children are the subjects. Such degrading and exploitive material by implication diminishes the values of those who are portrayed therein and in my opinion helps create a climate which leads directly to the violence which we abhor, to the violence which must be prevented.

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PROSPERITY THROUGH COMPETITIVENESS

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, yesterday the Minister of Industry, Science and Technology and Minister for International Trade tabled a document in this House entitled *Prosperity Through Competitiveness*.

He started out his comments by saying "Canadians today are perplexed and confused". That was the most meaningful statement of his entire speech. He went on to talk about prosperity, education and other subjects. He did not mention the fact that because of the government's softwood lumber tax which was belatedly removed and the high Canadian dollar this government has been guilty of increasing welfare payments by 500 per cent to 2,000 per cent in some municipalities where lumber was the main industrial employer.

He forgot to tell this House that when he was Minister of Finance the transfer payments to the provinces for education were cut back. Training programs were cut back. He forgot to tell Canadians that his government promised large increases in research and development to help Canada to be more competitive. Today research and development is at its lowest point in decades.

Because of what the government has failed to do, it has created havoc and hardship for many families and has discouraged young people in their outlook for the future. It has failed the children and young people of this nation and it has failed the very nation itself.

* * *

LITERACY

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is with pride that I rise today to share the news of an important honour bestowed upon one of our members.

Last week the Canadian National Institute for the Blind and the Louis Braille Memorial Committee awarded the Louis Braille commemorative medallion to the hon. Minister of Multiculturalism and Citizenship.

It is a rare honour, having been presented to Canadian recipients only on two previous occasions since 1952 when the medallion was first struck in Paris. The distinguished award was given at the launch of the Braille Literacy Foundation in Toronto. The Government of Canada has placed $1 million toward the establishment of this vital and high profile project. This contribution is but the most recent of numerous steps forward that we have taken in the area of literacy, in partnership with business, labour, various levels of government and the voluntary sector.

The silver medallion was presented to our minister and is indeed a shining tribute to the universality of literacy in our land.

* * *

MEME BREAST IMPLANT

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, the time for this government to act in the interests of Canadian women who have had the Meme breast implant has long passed. We have heard the words of concern from the present minister and the pious assertions of his predecessors that all was being done to safeguard the health of Canadian women.

What we have yet to see is any concrete action to address this serious health issue.

Following my meeting with the minister in July, we were assured that an internal review of his department, and the approval that followed of the Meme breast implant for use in Canada, was under way and would be available soon. We are still waiting.

I have asked the minister in this House and in other forums to establish an independent judicial inquiry into the actions taken by his department in allowing the Meme to be sold in Canada.

Today I request on behalf of the thousands of Canadian women who have had the Meme breast implant the establishment of an independent external audit of the working of the Department of National Health and Welfare.

In particular the actions taken or omitted by the Medical Devices Branch of that department need to be the subject of a comprehensive investigation. Canadian women have the right to know the exact extent to which this government has gone to safeguard their health.

* * *

• (1410)

[*Translation*]

INTERNATIONAL PEE-WEE HOCKEY TOURNAMENT

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, for more than 25 years, the best pee-wee hockey players have met annually to play during a ten-day tournament in the riding of Québec-Est.

This international event is absolutely unique. For more than 25 years, the tournament has received nothing but praise from heads of State, hockey organizations, and especially from parents and participants.

Many great hockey players consider this an unforgettable experience. We have never heard any remarks with racist overtones, when we welcome hundreds of native people, Europeans and Asians.

I must say, however, that with Max Gros-Louis, I deplore the negative overtones of an exchange between Bev Morin and the president of the tournament. I am sure it was an unfortunate misunderstanding, and I am convinced that no one wants to use young people for political purposes.

In February 1992, Québec-Est will once again welcome thousands of young people who will come here to have fun, demonstrate their skills and get to know each other. We hope the team from Thompson will be applauded just like other participating teams.

* * *

[*English*]

CHILD POVERTY

Mrs. Christine Stewart (Northumberland): Mr. Speaker, over one million children in Canada are living in poverty, too many of them deprived of the basic human rights of adequate food, shelter and clothing.

In response to concerns raised here by me and across this country by others, it is obvious that the Prime Minister and the Minister of National Health and Welfare have never been forced to deny their own children food when they were hungry, drink when they were thirsty, adequate shelter when they were homeless, a loving home because economic stress had caused familial breakdown and havoc. Not having experienced this themselves, they deny the harsh reality of it for other Canadians.

The consequences of raising over one million children in Canada in conditions of poverty will be more devastating to our nation's well-being than our current debt. Our children are our nation's future. More than enough studies indicate how impoverished children become the health, illiteracy, early school dropout, disabled and welfare statistics of the future. This government must get real, re-evaluate current policies and assure that all future policies set the well-being of our nation's children as its first priority.

* * *

AGRICULTURE

Mr. Brian White (Dauphin—Swan River): Mr. Speaker, less than 4 per cent of Canadians live on farms today, yet the industry generates billions of dollars worth of exports each year. In fact, from 1969 to 1988 the value of agricultural exports grew from $1.2 billion to $10.3 billion.

However, in recent years our farm industry across Canada has been devastated by record low prices for their quality products. In the midst of this crisis in agriculture, Canadians continue to pay the world's second lowest percentage of disposable income on food.

I think it is time that Canadians consider providing recognition and long-term support for our food producers by paying a targeted levy on the over $40 billion we spend each year on food. For example, the levy could be an annually adjusted rate which is designed to ensure a minimum farm income equal to a pre-1990 five-year average.

If our pledges of support for the family farm are to be more than just empty rhetoric, then we as Canadians should be willing to pay a small premium on our food bill to ensure the survival of agriculture, which historically has meant so much to our national economy.

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[*Translation*]

RIDING OF BEAUSÉJOUR

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I rise in the House today to draw the attention of this House once again to a situation in the riding of Beauséjour that is most unfair. In most of New Brunswick, workers need ten weeks of unemployment to be eligible for unemployment insurance programs. In Westmorland, however, the requirement is sixteen weeks, which for some people is out of the question.

[*English*]

A big proportion of workers in Westmorland will not find the required 16 weeks of work. I ask the Minister of Employment and Immigration to make the necessary adjustments so that the people of rural Westmorland will be treated exactly the same way as the people of rural Kent who are treated differently.

I want to see everybody treated the same way. That is why I am asking the minister to treat all the fishermen and workers of the riding of Beauséjour with justice.

* * *

MEMBERS OF PARLIAMENT

Mr. Stan Darling (Parry Sound—Muskoka): Mr. Speaker, today marks the 19th anniversary of the class of 1972, those members of Parliament first elected on October 30, 1972 who went on to unbroken re-election victories and still sit as members of this House. I believe these members deserve to be recognized as the rare breed they are: political survivors.

On October 30, 1972, 59 Conservatives, 23 Liberals, 11 New Democrats, and 3 Socreds were elected for the first time. Mr. Speaker, I am proud to say that you and I were counted among those numbers. However, of the 96 there are only 11 Conservatives and 2 Liberals remaining with unbroken electoral records.

In the Liberal caucus there remain Jean-Robert Gauthier and the Hon. Bill Rompkey. In the Conservative caucus there is you, Mr. Speaker, the Hon. Harvie Andre, the Hon. Perrin Beatty, the Right Hon. Joe Clark, the Hon. Paul Dick, the Hon. Jake Epp, the Hon. Otto Jelinek, Bill Kempling, Gus Mitges, the Hon. Frank Oberle, and myself.

In an age when public cynicism is high and the fortunes of political life at an all-time low, we are to be commended for our resiliency and ability to buck the trend.

ORAL QUESTION PERIOD

[*Translation*]

TERRITORIAL WATERS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is for the Prime Minister. Today the Secretary of State for External Affairs again gave in to pressure from the Americans. By order in council, she gave them the right of passage for their nuclear-powered submarines in Canadian territorial waters.

Mr. Speaker, can the Prime Minister tell us why the government again yielded to American pressure, when the cold war is over?

Does the government intend to rescind this utterly ridiculous order in council?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the matter of sovereignty over Canadian territorial waters is clear. We agreed to the situation involving submarines and we continue to consult the Americans, but it was done cooperatively.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my supplementary question is for the Prime Minister.

It is not the first time that this government has failed to defend the sovereignty of Canada. It seems to me that every time President Bush sneezes the Prime Minister catches pneumonia.

When will the Prime Minister stop caving in to the President of the United States and start standing for Canada?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, allowing U.S. and British submarines into Canadian waters has been a part of Canadian defence policy for a great many years. This was done on a consultative basis. We have not in any way given up our sovereignty on the waters that are under dispute. It is clear to us that those are our waters. The Americans consulted with us. The submarines are coming with our consent and we have been able to achieve certain guarantees as a result of those discussions.

Now that is exercising sovereignty.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to know from the minister what kind of deal it is. We have said clearly for generations that we did not want any nuclear submarines in Canadian waters. Is it quid pro quo in order to have certain a concession, to accept that? We do not want these submarines in Canadian waters at all. It is clear; and this has been the position taken by this Parliament many times over.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, as usual the Leader of the Opposition is totally on the wrong track. This is a part of our co-operative defence. It has been a part of our co-operative defence for a great many years and it will continue to be into the future.

I should point out that this is an acoustical testing facility only. It is not in any way a base for nuclear submarines. We are continuing to co-operate and we are realistic about our defence needs, about our deterrent needs and about our sovereignty, and that is what this is about.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the government's decision has put our environment at risk. It has put at risk the lives of people. All the ports will now have warships visiting them. It thoroughly undermines our sovereignty, and it was done without any parliamentary debate, without any consultation with the people affected. It was done in secret.

How can this government claim there is any democracy left in Canada when it makes a decision like this that affects thousands of people and it is done behind closed doors?

• (1420)

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, the hon. member seems to forget that in August 1967, long before Mr. Bush even thought of becoming President of the United States, we had a Liberal government in Canada which adopted a policy of allowing nuclear-powered ships to enter our territorial waters provided Canada had a verification procedure with the country concerned.

So this is not a new policy as the hon. member would have the House believe. Your government authorized such things in 1967!

[*English*]

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, we have a minister who says: "If you let a thief in your house and you say 'surrender', somehow you have won a victory, and it is not a crime".

I want to ask the minister this. The Order in Council explicitly says as follows: "if claims arise out of a nuclear accident, there will be a diplomatic conference". Are we saying that we are going to have a diplomatic international conference over the ashes of people if there is a nuclear accident? Is that the safeguard this government has provided?

[*Translation*]

Hon. Marcel Masse (Minister of National Defence): Mr. Speaker, I think that the hon. member should go back and see in his own notes what he would have done in 1968 in such a case, Mr. Speaker.

* * *

[*English*]

THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Today the Economic Council of Canada has confirmed that the economic and budgetary policies of this government have set us on the road to the most costly and least desirable constitutional options, and I quote: "The government's decision to alter its commitments to existing fiscal arrangements with the provinces unleashed pressures for decentralization".

I want to say to the Prime Minister that the most valued contribution he can make to unity in this country is to abandon the disastrous economic policies that have led to pressures for greater decentralization.

Therefore, I ask the Prime Minister, in the interests of turning the constitutional debate around in a direction that makes sense for all Canadians, will he immediately restore federal funding to health programs, post-secondary programs and social assistance so that we can deal with the needs of all Canadians?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I have not had the opportunity to read carefully the document of the Economic Council of Canada to which my hon. friend refers. Apparently the principal conclusion is in regard to some economic consequences for sovereignty association.

That may have been an interesting conclusion when the question of sovereignty association was debated 11 years ago, and resolved 11 years ago. Sovereignty association is no longer relevant.

Some hon. members: Oh, oh.

Mr. Mulroney: Apart from a few people who want to freeload on the back of Canada, I am telling you it is not an option.

Some hon. members: Hear, hear.

Mr. Mulroney: I have a little message for them. You cannot be a part-time Canadian. You cannot have the benefits of Canada while you are trying to undermine the integrity of the nation on the other.

Some hon. members: Hear, hear.

Mr. Mulroney: In Montreal last week I indicated that the question was one of great simplicity. You are either going to be a Canadian or you are going to be citizens of another country. Therefore, the Economic Council of Canada report might have been interesting 11 years ago, as it dealt with sovereignty association, the question that was on the ballot then.

The question now, for all of us to decide, is do you want one country Canada or do you want to be citizens of a foreign country? When that question is squarely put to Quebecers, they will opt for Canada.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I wish to ask a supplementary question. I agree with the Prime Minister that we must have a united Canada, but it is also a question of the government's economic policies. I would call the Prime Minister's attention to page 101, where it says that clearly, the present constitutional crisis is exacerbated by a whole series of financial and economic pressures. For example, the fight against inflation has produced very high unemployment.

So if the Prime Minister wants to build a Canada where everyone would like to live, will he put forward a recovery plan so that Quebec's 400,000 jobless can find work before the referendum, not after?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am told that this study concludes that sovereignty-association would cost each Quebec family at least $1,800 a year for at least a generation. That is sovereignty-association. The Council did not study the real issue, which is the cost of independence. If the Council concluded that sovereignty-association would cost $1,800 per Quebec family for a generation, imagine the cost of independence!

[*English*]

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker. I suggest to the Prime Minister that in this report there were very condemning conclusions about the economic policies of this government and the implications of that for national unity. Yes, sovereignty association was one subject. It was not the total of the report. It was the economic policies of this government.

For example, the report says the experience of the past two years should not be allowed to repeat itself. We on this side agree. Economic policies that caused unemployment cannot continue in this country.

I want to ask the Prime Minister again: Will his government immediately restore federal funding to such programs as health and social spending and post-secondary education? Will he do that now in the interest of national unity?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, while not having had an opportunity to study the report in detail, there is one thing that was drawn to my attention. That is the fact that the Economic Council is projecting real growth to reach 4.2 per cent in 1992 and 5.1 per cent in 1993. That compares with our projections of 3.2 per cent in 1992 and 4.1 per cent in 1993. They are considerably more optimistic on the growth front than we are. They are also more optimistic on the employment opportunities as well.

I think, Mr. Speaker, that clearly indicates that we are following a course of sustained durable recovery with price stability.

I am really surprised that the hon. member is so much against inflation. I thought that the NDP were the champions of the under dog, the senior citizens, the people on fixed incomes. It is runaway inflation that erodes the income base of senior citizens and low income people. They should be applauding our efforts.

With respect to transfer payments, when this government came into office, it transferred to the provinces in 1984–85 $25.6 billion. In 1992–93, in the next fiscal year, we will be transferring $38.1 billion, an increase of $12.5 billion or almost 50 per cent.

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ADVERTISING

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Prime Minister. Yesterday the government launched its so-called prosperity and learning initiative in the House of Commons. Two ministers stood in the House and briefed Parliament and subsequently briefed the press in a press conference and answered questions about the reported $15 million program.

I want to ask the Prime Minister this. Why did both those ministers, the minister of trade and the minister of employment, withhold information about an additional $4.5 million advertising program to be jointly funded by both their ministries, 50–50, and to be launched in the next few weeks, and an advertising blitz called "Yes We Can"? Why were Canadians not given all the information yesterday?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I believe at that press conference and certainly on other occasions yesterday I talked quite openly about advertising. I did say that there would be an advertising program. It would be financed in part from the secretariat, $500,000 from the secretariat, but in part from the budgets of other government departments.

It is those other government departments which have other advertising programs in government and will be doing so under the broad umbrella of the "Yes We Can" theme, the competitiveness theme.

• (1430)

It is not incremental spending in that sense. I have been quite open about it and I will continue to be open about it.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, Canadians should note that the program has grown from $15 million to $20 million in 24 hours.

I want to ask the minister another question. It was clear yesterday in the briefing with the senior official involved, Mr. Tony Eyton, that an unspecified amount of money is also going to be spent on consultants and to pay for studies.

The estimate given yesterday was $5 million for that program. Will the minister now confirm that yesterday's initiative is not $15 million, but with the $5 million he just admitted and with another $5 million in his new spirit of openness—I expect him to admit this—the total program is $25 million.

Rather than listening to Canadians, $15 million is going to be spent on a communications and advertising blitz. How can you say you are listening when you are dumping a barrage of propaganda on the heads of Canadians?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, first of all, I think my hon. friend was told this morning by members of the secretariat that $5 million which he has just concluded now is going to be an advertising blitz is nothing like an advertising blitz.

It is moneys that will be spent on consultants, on printing and distribution, toll free telephone information services and things that are related to serving the consultation process on a community basis.

If the hon. member wants to ask me another question, he can ask the other question.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, on October 9, 1980, the then Leader of the Opposition, the right hon. member for Yellowhead said about advertising: "I think that attempts to spend public money to manipulate public opinion on public questions that have not been decided is an improper practice that offends the right of the House of Commons".

I want to ask the minister who has just answered how he can justify spending $25 million that Canadians do not have to propagate the policy of a failing government. How can that be right?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend is suggesting that we should not be talking about the challenges of international competitiveness.

He is suggesting that these are not issues that Canadians want to learn more about and that Canadians do want to participate in in a broad way as we are proposing through the community consultations.

I would tell my hon. friend first of all that Canadians want to participate in them. They have said that international competitiveness is the most important issue that they are facing in a poll that was put out just on Monday by the *Toronto Star* and the CBC.

We are responding to that great concern by watching this prosperity initiative so we can strengthen the economy of this country in the coming years.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I want to remind the minister that the ultimate democratic consultation is called an election.

[*Translation*]

My supplementary is directed to the Prime Minister, the ultimate guardian of the public purse. Once more, Tory cronies are going to dip into it and receive advertising contracts. Will the Prime Minister make a commitment today and promise all Canadians that none of this money will be spent before there is a public tender for advertising contracts? Is he prepared to give us this assurance today?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, we have indicated our proposal to launch the broadest possible consultation process.

A large amount of the spending that is in that money that was referred to by his colleague is money that is being spent within the government on public servants who are being reallocated from other government departments.

To suggest that this is a total amount of new money first of all is wrong. It is reallocated money. It is reallocated people directed to focus on the most important economic issue that we are facing today, improving our competitive position internationally.

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NUCLEAR VESSELS

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Despite the distortions and protests of the Liberals earlier in Question Period, it was in fact they who opened our territorial waters and ports to nuclear vessels a quarter of a century ago.

An hon. member: Shameful.

Mr. Fulton: What has happened today to the Dixon Entrance, the richest fishing grounds in Canada, is however much more serious. It is on those points that I would like the Secretary of State to address her mind. The technique that has been used to exempt U.S. nuclear submarines from transiting Dixon Entrance was found to be illegal by the Federal Court in May of this year.

My question to the minister is this: Why has she and the cabinet chosen to use a technique that has already been found illegal and denies the public in British Columbia the right to assess the real and measurable risks of submarines involved in testing activities in our waters and to the north of our waters?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, first of all, let me remind the hon. member of two things. First of all, this is an acoustical testing facility. It is not a nuclear testing facility.

Second, let me remind the hon. member that the history of U.S. nuclear submarines is an excellent one in terms of safety, that we have discussed with them and we have consent from them concerning their use of our sovereign waters and that we have received from them

assurances on how these waters will be passed through by these submarines to reach the acoustic testing facility.

Mr. Jim Fulton (Skeena): Mr. Speaker, my supplementary is to the same minister because this is much more serious than what the minister wants to address. Certainly a public review is where you address the serious risks that the public face.

What I am asking is a procedural question of the minister. It is abundantly clear from documentation that was provided to cabinet that this technique was already found to be illegal in the Kemano–Alcan case. You cannot use Order in Council powers to exempt yourself in any decision from things such as this.

My question to the minister is will you remove yourself from this situation—

Mr. Speaker: The matter the hon. member raises is of course important, but I do ask hon. members to stay within the rules in presenting their questions.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think there are two important things here. First of all, the environmental aspects of this activity were reviewed pursuant to the 1990 cabinet decision to ascertain the environmental implications of cabinet decisions.

Responsible departments did analyse the information that was relevant to this activity including the final environmental impact statement assessment, as was done for the SEAFAC facility, the thoroughness of which has successfully withstood a court challenge in the U.S.

Pursuant to government policy, the results of a preliminary environmental assessment will be made available to the public.

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CONVENTION ON THE RIGHTS OF THE CHILD

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, over a year ago, the Prime Minister co-chaired with great fanfare the United Nations World Summit for Children where the Convention on the Rights of the Child was passed. This convention still sits on the shelf in the Prime Minister's office gathering dust.

Some hon. members: You are all wrong.

Mrs. Finestone: Fine. Will the Prime Minister today then, if I am so absolutely wrong, do the right thing and send a message to all Canadian children and to the advocates who are sitting here in the House and tell them where, when and how this convention will be signed?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the convention is not on the shelf of the Prime Minister. The convention has been proposed to the provinces as we said it would. The provinces are first responsible for children.

What the Prime Minister and I said is that as soon as the provinces have ratified or accepted the convention, it will be signed. We are still waiting for two provinces, one of which was recently involved in an election, and we are told that the provinces will deal quickly with the matter. I still say that the convention will be ratified before the end of the year.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, if the minister knows when the convention is going to be passed then political will should get it passed now.

The plight of the children of Canada is really staggering. One in six live in poverty, homelessness is at emergency levels, too many children still live in families that live below the poverty line, health conditions for our aboriginal children compare to that of the Third World, and this government's economic mismanagement is driving more people on to the bread lines.

• (1440)

My question to the Prime Minister is this. What concrete steps is he taking that will address and redress, right now, the crisis conditions faced by over one million Canadian children who are still living in poverty in this country.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I will answer right now. This week I had four meetings with people dealing with children. I do not believe there is one member in this House who does not want to deal with the problems of children. It is a very serious one and must be addressed by all Canadians.

The member will recall that all departments of this government spend approximately $15 billion a year. We would like to do more and we will. I have already announced that the government will come forward with

a strategy before the end of the year. We will need the help of every Canadian.

I believe that Canadians understand that to be able to provide services to children we have to create the resources. I ask my friend to help me get the resources, starting with a good economy in this country.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, in times of economic distress, children must be the last to suffer.

A year ago the Prime Minister said at the UN World Summit for Children: "Canada still has serious problems that affect children in many ways".

This morning on Parliament Hill, some 500 child symposium delegates told members of Parliament: "Child poverty in Canada is a national scandal".

Since a national child care program is crucial to any child poverty strategy, when will this government make good on this age old promise?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, for the benefit of the hon. member I will repeat what I said to his predecessor. This government has a long-standing commitment to dealing with problems concerning children, not just daycare but also the whole problem of child sexual abuse, family violence and school drop-outs. I think this is a global problem.

So far, in terms of available resources, the government has gone as far as it could in allocating those resources, and it is committed to doing more in the future. But this cannot happen, Mr. Speaker —As I told the groups this morning, I refuse to make any promises because it all depends on our capacity to generate the necessary resources. And as I said before—since I was asked not to talk about interest rates—when interest rates are at 25 per cent, there are no available resources to take care of Canada's children.

[*English*]

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the government knew its resources when it promised day care six years ago and several times since, but it did not fulfil the promise.

Another very sad fact is that aboriginal children in Canada live under horrific health and social standards, with an acutely high number of infant deaths and suicides.

What is the minister prepared to do today to eliminate these alarming problems? Will he allow Canada's children to become the lost generation?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I had the opportunity last summer to visit many reserves in Canada, particularly in the member's home province.

I totally agree with him that what is a problem for white people becomes a more difficult problem for aboriginal people in all parts of the country. That is why the health services branch of the department is working closely with the chiefs of the First Nations.

I asked the ministers of health of all provinces to be with me at a meeting in Winnipeg last September with leaders of the aboriginal communities to find a way to answer the health problems of children in particular. We put particular emphasis on children. Once again, it has to be done within the capacity we have. I am looking forward to continuing to work with Indian leaders to give all the relief we can to aboriginal children in Canada.

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SOUTH AFRICA

Mr. Girve Fretz (Erie): Mr. Speaker, my question is for the Secretary of State for External Affairs.

South Africa has made significant strides in dismantling apartheid and perhaps now is the time to reconsider having normal trading relations with that country. Therefore, my question is this: when will the government lift trade sanctions?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I am very pleased to be able to report that, as a result of efforts by this government through working with the Commonwealth, the sanctions policy with regard to South Africa has proven to be an effective one.

As a result of the progress made in South Africa, the Commonwealth heads of government two weeks ago agreed to an immediate removal of people to people sanctions and indeed, Canada has already done that.

The trade and investment sanctions will be lifted when there are appropriate transitional mechanisms agreed to by all the parties. It is our hope that there will be an all-party conference in the near future, but we do not want to prejudge at this point what those transitional arrangements might be.

We are pleased to see some progress. We are looking for more, and once those transitional arrangements are in place, we will be happy to take further steps as outlined in the Commonwealth report.

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RIGHTS OF THE CHILD

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, my question is for the Minister of National Health and Welfare.

As the minister responsible for children, I would like to ask the minister a very simple question. Does the minister agree with his colleague, the Minister for International Trade, who last week claimed that no man, woman or child goes without adequate medical care, decent shelter or proper food in Canada, or does he believe the over 500 delegates at the Canada's children conference who told him today that it is a national scandal that there are over one million children living in poverty in Canada.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I would agree that as long as there is one child in this country having a problem with poverty or violence, there is a problem. I agree with that. I said that on Monday and I repeated it this morning. But the fact of the matter is, we have to find the answers. The answers have to be based upon the fact that we have the capacity to provide even more than $15 billion a year by all departments of this government.

But I call on my friend to help me to find a way. He knows very well when 250,000 people lose their jobs in Ontario, it means more poor people, more poor children. If we can give these people a chance to find jobs in a good economy, we give a chance to the children of Canada.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I am glad to hear that from the minister. Perhaps the next time he is sitting beside the Minister for International Trade in cabinet he could explain a few things to him and maybe we will see some solutions for Canada's children.

Later this year Canada will ratify the UN Convention on the Rights of the Child. This convention commits Canada to recognizing "the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development."

The government has capped social assistance contributions for over half of Canada's poor, deindexed critical social programs, cut back education, health funding and equalization payments and reneged on its commitment regarding child care.

I ask the minister if he can explain to us how these measures will fulfil the commitments this government has undertaken under the UN convention.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I simply repeat the commitment I made at the United Nations, that we expect the convention to be ratified by the end of 1991. That is within this year. That was the undertaking I made on behalf of the Government of Canada and it will be respected.

One of the problems we have is to make sure it is accepted and implemented within areas of provincial jurisdiction. In Saskatchewan, for example, I believe we are still waiting for a response. I am sure that the new government, upon its swearing in, will deal with this on a priority basis. As soon as it signifies its intention to fully ratify the provisions that apply provincially, we will make certain the rest of it is done.

We view our commitment to children as an extremely high priority, not only for the government but for all members of the House. My hon. friend suggests that we have been cutting back. The Minister of Finance has just indicated, contrary to the contention, that transfer payments by the federal government to the provinces, transfers to children, to the elderly, to welfare and so on, have increased by 50 per cent in seven years. The total amount is some $12.5 billion.

• (1450)

I want to point out to my hon. friend, when he is talking about the problems of children, these are not because we have cut back—perhaps as a nation we haven't done enough—but we have increased dramati-

cally the contribution of this government to children; it is not because we have cut back.

We have increased funding, although as a nation obviously we have to do much more, and we will.

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GOODS AND SERVICES TAX

Mr. Doug Fee (Red Deer): Mr. Speaker, my question is for either the Minister of National Revenue or the Minister of Finance.

It concerns the GST credit for 18 year olds. In the province of Alberta, and I assume all of Canada, an 18 year old is considered an adult. They can drive a car, they can go into debt, they can vote and they can pay taxes. However, they cannot collect the GST credit unless they are a parent or married.

Many young people are very independent by 18. They live on their own and try to make ends meet. The refusal to pay them the GST credit is a slap in the face, saying that they really aren't independent at all.

The quirk in this new goods and services tax is discriminatory based on age. Is the minister going to correct this quirk and allow all eligible 18 year olds to collect the GST credit?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the GST refund for people under the age of 19 is handled in exactly the same way as the federal sales tax refund was handled. To do what the hon. member suggests would be administratively very difficult if not impossible. As he knows, if they are claimed as a dependent living with their parents, they do qualify. If they are married and under the age of 19 they qualify for the GST rebate and if they have any children they qualify for that as well.

But I repeat, it would administratively difficult to alter the way in which it is being administered as it was under the FST.

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HENRIETTE HADDAD

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Secretary of State for External Affairs and it concerns the Canadian woman who has been held hostage in Lebanon for the last six years.

The minister said in a letter to me earlier this week that there is no proof that Mrs. Haddad was taken hostage. What about Lebanese press reports of her kidnapping on September 26, 1985? What about the four people who heard Nabih Berri, head of the Shi'ite militia, say his group was holding Mrs. Haddad? What about the three Lebanese hostages who said they saw Mrs. Haddad during their own captivity? And what about the medical doctor who was told she was held hostage?

How much proof does the Canadian government need before we will act on behalf of a Canadian citizen who has been held hostage for six years?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the Canadian government has been very, very concerned about Mrs. Haddad and has undertaken exhaustive inquiries as to her safety and whereabouts both through sending diplomatic notes to the government and through direct inquiries with a number of organizations within Lebanon.

There is simply some question as to how and where. There is no question about her disappearance at all and there is no question that this is a tragedy for the family. When this first happened the department worked very hard to establish her whereabouts and to establish if and how she was actually taken hostage by a particular group. We have made exhaustive inquiries. We have worked through every possible diplomatic level to try and aid both Mrs. Haddad and her family here.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the minister has not even put her on the international list of hostages.

Professor Humphrey, one of the world's leading scholars and for 20 years the director of the United Nations division of human rights, has called upon the Canadian government specifically to acknowledge that Mrs. Haddad is a hostage in Lebanon. I ask the minister to at least request the United Nations hostage negotiator to include her in the list of western hostages.

Will the minister ask that Mrs. Haddad be included in the list of western hostages?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, there are certain ways of dealing with this. The Canadian government has made inquiries and it has pursued this matter aggressively in every forum available to it. Immediately following the incident six years ago and recently, it is has been a continuing file, a file that is continually open for us in a

number of forums. We have also been in constant touch with the family.

I would like to be able to do more and we will continue to do everything we can. We are continuing to pursue this as a case that requires our very great sympathy, our concern and our action.

* * *

UNEMPLOYMENT

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, at a time when 400,000 young Canadians are unemployed, the best this government can do is to offer the "Learning Well—Living Well" consultation paper asking Canadians for ideas.

The Economic Council made this observation in its annual report. I quote: "The problem of unemployment is cumulative. Young workers get trapped in a cycle of short-term, seasonal, insecure jobs and unemployment insurance dependencies and are unable to break away from it".

I ask the minister of employment this question. When is this government going to start learning well so that young Canadians can start living well?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, for the past two years we have defended and promoted in this House an employment strategy requiring intesified training. We have put in place partnership mechanisms with a view to achieving these objectives. Any delay that ensued must be blamed on the hon. member and members opposite who spent a whole year obstructing the passage of Bill C-21.

What we are trying to do with the programs we have, as quickly as possible, is give the requisite training to workers to prepare them for market globalization.

[*English*]

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, if this government is serious about establishing a learning culture, then it must understand that education is a key component. In order for our young people to obtain an education, it must be accessible.

I ask the minister this question. Why has this government chosen to impose a 3 per cent tax on student loans? Why this attack on students who are in greatest need?

Hon. Robert de Cotret (Secretary of State of Canada): Mr. Speaker, I have answered this question time and time again in the House and I will repeat the same answer.

This program is some 27 years old. It is a program that has helped thousands of Canadians through the years. It is a program that we intend to maintain, but obviously it is a program we have to review. The review is under way with the provinces and we expect to be able to propose a document to this House in the next few months.

* * *

BANKRUPTCY

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, my question is directed to the minister responsible for ACOA and I think the acting minister is in the House. I hope it is the Minister of Public Works, who I know will be fully aware of the situation involving the Keddy's hotels and motor inns in Atlantic Canada. On November 1, Keddy's is meeting in a bankruptcy proceeding and unless there is some bridge financing at least and some understanding with ACOA officials the whole situation will go into receivership. Over 1,000 to 1,200 direct employees at 11 motels will go down the drain.

Knowing the situation, knowing quite a bit of history of Keddy's, going back to the Hotel Nova Scotia in 1984-85, I am wondering if non-partisan, objective support from all sides would be a catalyst. Could the minister have his officials meet the Keddy's interests so that this situation will not end up in dire headlines, let alone the spin-off effect of all the other little industries that depend on this situation.

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I appreciate very much the interest of my colleague opposite. He is right, most of us from Atlantic Canada are aware of the situation regarding Mr. Keddy's organization. He suffered from severe competition. He is in a difficult position. I spoke with him this morning. I

have spoken with colleagues. In all fairness I am not sure that at this stage, taking into account all of the circumstances, anything can be done.

We are willing to look at it again and see if at the last moment some help might be available. I would be less than honest in saying that we could give any guarantees at this moment.

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INTEREST RATES

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my questions is for the minister of corporate and consumer affairs.

• (1500)

Yesterday the minister responded to the recommendation of a floating cap on credit card interest rates by telling consumers to go out and negotiate a personal loan. In other words, you are not my concern. You are the bank's concern. Go and let the foxes get at you.

I want to ask this minister right now who he is looking out for: the corporations or the consumers? Why is the minister continuing to be an apologist for corporations and not a defender of the interests of the consumers?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am surprised. I am not alone in saying that putting a cap on that is not acceptable. Even the Consumers' Association of Canada is on side with that. It does not think it is the solution.

[*Translation*]

I would say, Mr. Speaker, that it is especially important then to make the consumers aware of the fact that the credit card market is highly competitive. My colleague knows how committed I am to consumers, we were talking about this just last week.

You can go to your banker—something I would encourage everyone to do, as I said yesterday—who offers both credit cards and personal loans. Instead of buying goods on credit cards issued by department stores and other companies which charge interest rate between 19 and 28 per cent, consumers should take out a personal loan at 11 or 12 per cent, Mr. Speaker. I think we should first increase consumers' awareness because we brought interest rates down to 8.5 per cent for their benefit. Consumers should take advantage of it.

[*English*]

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is for the Prime Minister.

In light of the fact that obviously this minister has the interest of banks and financial institutions first on his agenda and consumers last, will the Prime Minister consider splitting this portfolio into two and appointing someone as consumer minister who would look out for the interests of consumers?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the only interest that I have in listening to my hon. friend is to make sure that he does not get sufficiently exercised that he does damage to himself again.

We think he is a national asset and we want to keep him in the House of Commons. We do not want him to hurt himself.

I take very seriously my hon. friend's suggestion. In point of fact the Minister of Consumer and Corporate Affairs is also Minister of State for Agriculture and does a remarkable job in both portfolios, and I am thinking of giving him a third.

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[*Translation*]

PRIVILEGE

SPECIAL JOINT COMMITTEE ON THE GOVERNMENT OF CANADA'S PROPOSALS FOR A RENEWED CANADA—EXPENSES OF MEMBERS OF PARLIAMENT NOT SITTING ON COMMITTEE

Mr. François Gérin (Mégantic—Compton—Stanstead): Mr. Speaker, this morning I contacted the secretariat of the Special Joint Committee on the Government of Canada's Proposals for a Renewed Canada, and I asked them who paid the expenses of members who are not on the committee but who went to Prince Edward Island and Toronto. I was told that although these members were not members of the committee, the committee had decided in this particular instance to pay their expenses, without being authorized to do so by the House. When I asked whether, as a

member of the Bloc Québécois, I could have the same privileges, I was told I should get in touch with the Joint Chairman of the Committee, Mrs. Dobbie, and that each case would be examined on its own merits.

Mr. Speaker, I have two questions of privilege. One is about the different classes of members we have here: those who are members of the committee and those members in this House who are entitled to follow the proceedings of the committee outside Ottawa, outside the precincts of Parliament, and have their transportation expenses, hotel bills, meals and sundry items all paid for. Other members who, like members the Bloc Québécois, have a different ideology, would have to submit a request for approval by a steering committee of a committee of this House, with a majority government membership, which, I imagine, would judge our case according to our political ideology and perhaps also according to sex, age or any other consideration.

Mr. Speaker, I think a very important privilege and principle is at stake here. My role in this House and in committees of the House of Commons, including the Special Joint Committee, should in no way be dictated or appear to be dictated or influenced by the arbitrary rules of a steering committee controlled by this government.

In this connection, I would ask the Chair and the House of Commons to condemn this practice by the Special Joint Committee and prohibit this entirely arbitrary process, and decide that only members sitting on the committee, or their lawfully appointed replacements, are entitled to the committee's travel expenses. Or otherwise, that all members of this House, without exception, and without being subject to arbitrary decisions, should be allowed to be on these committees and take advantage of free travel. It should also be stated that all members are equal and have the same privileges and should never have to submit to the arbitrary decisions of a steering committee in an administrative matter like this.

Mr. Speaker, this brings me to the second part of my question of privilege which also involves points of order but is nevertheless a question of privilege. It concerns the legitimacy of expenses thus incurred by the Special Joint Committee on the Government of Canada's proposals for a renewed Canada. The committee, established on June 19, 1991 in this House, by a resolution of this House—you will recall the circumstances—cannot pay the expenses of members who are not members of the committee or replacements on this Special Joint Committee.

On September 24, 1991, the list of members was tabled. Further to a question of privilege that I raised the next day, the Chair ruled on September 27, 1991, that the NDP was entitled to only one member on that committee, Mr. Nystrom, who had been appointed, and that the other two members had not been appointed legally and were to be removed from that list until the NDP provided the Clerk of the House with the names of two members who had the right to be there, and any substitutes for them. The NDP never followed up this ruling the Speaker made on September 27, 1991. Since then, the four members who had been previously designated by the NDP, illegally, continued to sit—which they have the right to do, I agree—but at least three of them also went to Prince Edward Island, all expenses paid from Canadian public funds, with no authorization of any kind given for that purpose. I think that is completely unjust and arbitrary.

Mr. Speaker, in these extremely difficult times for all Canadians, our constituents in Quebec are shocked by such waste of public money. Mr. Speaker, much stricter control must be shown in administering public funds. I ask that the work of the Special Joint Committee be suspended until these administrative and financial issues have been clarified. I ask the Chair to see whether the funds of the House of Commons were actually used to pay the expenses of members who were not entitled to it. You know very well, Mr. Speaker, as I do, and members have always known that it is a well-established principle in Canada that no member can receive money or services from the government or the House of Commons, except his salary which is already provided for, without a special order of the House or a ministerial order. I think that hon. members who accepted travel advances may have unintentionally put themselves—it is not a matter of honesty or dishonesty here—in an illegal situation. It could even affect their ability to sit in this House. Nevertheless, a decision must also be made as to who shall refund to the House of Commons these amounts the committee did not have the authority to pay out and how.

• (1510)

I would ask the Chair to consider very carefully the allegations I just made, based on information obtained from the very members of that committee and from the

deputy clerk of the committee because I am literally flabbergasted.

Mr. Speaker, as you may recall, we from the Bloc Québécois had requested to sit on this committee. The participation of the Parti Québécois was not allowed because of its ideology. I suppose that funding will now be denied to the Canadian Economic Council now that it has spoken out for sovereignty-association. This kind of partisanship that does not have its place in the House of Commons.

In closing I will say to you that I feel my privileges, as a Member of Parliament, have been breached, that such incident will never cast a doubt over my commitment to independence in the minds of the people of Mégantic—Compton—Stanstead and that any unauthorized expenses will have to be reimbursed. Mr. Speaker, you probably remember that we from the Bloc—

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I will be very brief in terms of commenting on some of the points made by the hon. member.

The hon. member seems to be objecting to the fact that he is not on this committee and that he, as a member of Parliament, being an equal of any other member of Parliament has the right to be on that committee. Carrying that to its logical conclusion, the only committee we can have around here is a 294 member committee, committee of the whole.

That is not the way we operate, of course. We have the recognition of the complexity of certain issues and the need to deal with many issues at the same time.

We have had for decades and decades, going back I do not know how long, the practice of assigning to committees special subjects for study. Of course, that is exactly what happened in terms of the constitutional papers and the special committee. In this case, a joint committee was set up.

Membership was established based on numerous precedents going back many years. It was dealt with no differently than any other committee. The hon. member seems to say that because he is a member of Parliament, equal to the others—we agree—that he should have his travel expenses picked up if he chooses to travel with a committee.

Again, taking that to its logical extension, Mr. Speaker, any time a committee of this House were to travel to another country, for example, as happens frequently in terms of the studies they undertake, then every other member of the House has the right to go along.

I humbly suggest that would make it impossible for us to do anything. What is happening with the unity committee is precisely the same kind of thing that has happened in regard to committees of this House going back long before any of us were here and long before any of us were born.

There is no precedent being established here. It is established practice and I do not think the member's question of privilege has any basis.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, in ruling after ruling after ruling, yourself and other Speakers before you have determined that these kinds of interventions, although it is probably appropriate that they be heard, are matters which really are properly dealt with by the committee itself.

Certainly whatever arrangements the committee has arrived at in order to do its job properly, the committee has arrived at in the context of its own authority and this is not properly a matter for the House to consider as indeed so many other Speakers, including yourself, have ruled over the years.

The committee is its own master in this respect and it is not appropriate to be debating the arrangements that have been made in the committee on the floor of the House of Commons.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I wish to speak on this issue, even more so after hearing my colleague from Winnipeg Transcona.

The basic issue raised by the hon. member for Mégantic—Compton—Stanstead is whether members of this House who are not official members of the Joint Committee on the Constitution had their travel expenses refunded or not. We claim that New Democratic members who are not officially on the Joint Committee travelled with it at the expense of the House of Commons.

Mr. Speaker, other members, including the member for Mégantic—Compton—Stanstead, would have wanted to go with the Joint Committee across the country but did not and could not have access to travel funds.

Therefore, Mr. Speaker, I will go further than that. I think and I was told—I would like you to check these allegations—that the New Democratic caucus even tried to use a subterfuge by having its own members go as researchers, in contravention of the rules of this House. If that is so, Mr. Speaker, you know as well as I that they would be violating not only the practices but also the laws of this country.

The hon. member for Mégantic—Compton—Stanstead thus raises a very serious matter. Mr. Speaker, all members of this House know that special provisions are required for a member to accept a cheque other than those to which he is entitled. An order in council is required for all members to go and represent a minister at the opening of a social housing project. I remember that practice, Mr. Speaker, and it took an order in council.

Therefore, Mr. Speaker, for the sake of the integrity and openness of this House, we ask whether any New Democratic members had their expenses refunded and whether they acted legally. If not, Mr. Speaker, we ask you to take strong measures immediately.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, very briefly, I think that the minister who spoke earlier, the House leader, totally missed the boat. His comments were not related to the two questions asked.

I rise because I am one of those who wrote to the co-chairs of that Committee last week, to ask them precisely the question asked today by the hon. member for Mégantic—Compton—Stanstead. I asked myself that question because I wanted to be involved and I was told, "Well no, Mr. Gauthier, you are not a member of the group. The six Liberal members have been appointed." So, I asked for the list of New democratic members, and I was told, "There are many of them but there is only one official member. The others take turns on the committee, on a regular basis." I asked, "Who pays for the travel expenses of these members?" and I was told, "I don't know."

I want to get an answer to those questions because it is important to know who is paying for this. While it is true that committees are autonomous, it is also true, Mr. Speaker, that these committees must administer public funds in accordance with the strict guidelines of the Board of Internal Economy of the House of Commons, which ensures that those funds are spent properly.

So, the first question is: Who paid and why was this money spent on trips, hotels, and other expenses made by people who are not members of a committee? The second question is: On what authority did the Committee base its decision to spend on that? Again, I would like to receive an answer by letter or here in this House, to satisfy the curiosity of an hon. member who also wanted to participate in those meetings but cannot because the Standing Orders do not allow it.

I believe that these questions are appropriate. The question is clear and I think that the government missed the boat. I would like to get an answer.

Mr. Speaker: I listened with some concern to the statements by the hon. member for Mégantic—Compton—Stanstead, the Government House Leader, the hon. member for Winnipeg Transcona and, of course, the hon. member for Ottawa—Vanier.

Generally speaking, since the complaint has to do with the proceedings of a committee, this is not a problem that should be submitted to the Chair. However, in view of the circumstances and especially after having listened to those statements, it is probably appropriate for the Chair to consider these interventions or complaints, and it might be possible afterwards to give an opinion.

• (1520)

As I said, it is basically a problem that concerns the committee. However, in the circumstances, it may be that the problem has a wider scope. I would ask the hon. members to give me some time to take this under advisement and then to report to the House soon.

* * *

POINT OF ORDER

STANDING COMMITTEE AUTHORIZED TO TRAVEL

Mr. Gilles Rocheleau (Hull—Aylmer): Mr. Speaker, may I ask you if the Standing Orders allow the following. In the proceedings of the House of Commons for October 25, 1991, following Oral Questions, during Routine Proceedings, the Parliamentary Secretary to the

Minister of State and Leader of the Government in the House of Commons moved, and I quote:

> That seven members and two staffers from the Standing Committee on Transport be authorized to travel to Europe from October 30 to November 9, 1991 to complete a study on high speed trains.

The hon. member for Shefford opposed this motion, Mr. Speaker, and the government House leader simply answered, and I quote:

> Madam Speaker, if the Bloc Quebecois chooses to prevent this committee from proceeding on that travel, then I have no choice but to accept that at this point.

Mr. Speaker, barely ten minutes later, while my colleague from Shefford and myself had gone out for a few moments, the hon. member for Thunder Bay—Atikokan, seconded by the hon. member for Cape Breton—East Richmond, moved to give unanimous consent to this motion authorizing seven members of this House, that is four Conservatives, two Liberals and the mover, the hon. member for Thunder Bay—Atikokan himself, to travel to Europe at the expense of the Canadian taxpayers.

Mr. Shefford: Sixty thousand!

Mr. Rocheleau: Some $60,000 will be spent, Mr. Speaker.

My question is this: we were against this motion and the government House leader accepted the Bloc Quebecois position. Just minutes later, in our absence, the motion was brought back and passed surreptitiously with the consent of the three parties. Mr. Speaker, is it normal procedure to bring back a motion during the same sitting when opposition to it has been expressed?

[*English*]

Mr. Rod Murphy (Churchill): Mr. Speaker, I can somewhat sympathize with the concern of the member that the House had made one decision and because there was not unanimous consent, the same issue was raised later that day and there was unanimous consent given.

Now, the Bloc is not a party of the House. One of the things the legitimate parties in this House have always done to make sure that the government or any individual party does not run roughshod over the House is to make sure we have a roster of people who are in the House.

Therefore, we find it is an obligation in our caucus to make sure that we have members here at all times, so that if the government gets up and introduces a motion that requires unanimous consent, which we do not agree to, we are indeed here doing our duty in the House and able to express our disagreement.

I believe that if any group in the House feels that they want to be involved in an ongoing basis, they should follow a similar practice.

Mr. Speaker: I do not think I need to hear the hon. member for Shefford, not that he would not put the position of he and his colleagues with great clarity.

[*Translation*]

I want to tell the hon. member for Hull—Aylmer that I appreciate his point. However, the hon. member for Churchill has described the situation quite clearly to the House. This is a matter which, of course, concerns all hon. members, because the House obviously has authority over the conduct of business in this House, and sometimes circumstances change.

[*English*]

There is no rule and there is no law that says that because the House has at one moment refused consent for something, it cannot change its mind and give consent.

An hon. member: Call an election, call an election.

[*Translation*]

Mr. Speaker: It is not up to me to call an election!

[*English*]

An hon. member: Carried.

Mr. Speaker: I understand the hon. member's frustration, but I have to say to all hon. members that the hon. member for Churchill has put the position very succinctly. It is necessary for somebody to be here all the time.

[*Translation*]

COMMENTS BY PRIME MINISTER—REPORT FOR RULING

Mr. Louis Plamondon (Richelieu): Mr. Speaker, some time ago, the Right Hon. Prime Minister used rather unparliamentary language in this House when he called our leader hypocritical and stupid. At that time, the Chair had taken those words under advisement in order to decide whether they were parliamentary or not. I would like to know if a decision has been made as to whether the words "hypocritical and stupid" are acceptable parliamentary language in this House. If a decision

has not been made, when will the Chair ask the Prime Minister to retract those insults?

[*English*]

The Acting Speaker (Mr. Paproski): I believe the Speaker is still taking it under consideration. It depends on the context in which those words were used and he will come back and give a ruling on it.

* * *

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this will not require unanimous consent.

Pursuant to Standing Order 36(8), I have the honour to table in both official languages the government's response to 54 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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FINANCE

SECOND REPORT OF STANDING COMMITTEE

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I have the honour today to present the second report of the Standing Committee on Finance dealing with Bill C-34, as amended.

[*Editor's Note: See today's Votes and Proceedings.*]

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HOUSE MANAGEMENT

FOURTEENTH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to table a report that has a good deal to do with certain points of privilege raised earlier today.

I have the honour to present the fourteenth report of the Standing Committee on House Management, pursuant to the order of the House of Commons dated June 19, 1991 and the Speaker's Ruling of September 27, 1991.

This report is deemed adopted when laid upon the table.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

CANADA ELECTIONS ACT

MEASURE TO AMEND

Mr. Ross Harvey (Edmonton East) moved for leave to introduce Bill C-319, an act to Amend the Canada Elections Act (non-listed electors).

Mr. Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

• (1530)

Mr. Harvey (Edmonton East): Mr. Speaker, at the last election at least hundreds and perhaps thousands of otherwise eligible electors in my constituency of Edmonton East were denied the right to vote because their names did not get on the list of electors by voting day. Several showed up at the polls, as they can do in provincial elections, thinking that they could be sworn in at the poll and then vote and were of course denied that right.

This amounts to a routine disenfranchisement of electors on an administrative basis and is on that basis alone, I submit, unconstitutional. However, in an effort to do away with this grievance, this bill is presented. I am hoping the government itself will act in this regard before the next election because to leave the matter hanging will again inevitably result in the administrative disenfranchisement of tens of thousands of Canadians.

The Acting Speaker (Mr. Paproski): Mr. Harvey moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

CANADA LABOUR CODE

MEASURE TO AMEND

Mr. Bill Attewell (Markham—Whitchurch—Stouffville) moved for leave to introduce Bill C-320, an act to amend the Canada Labour Code and the Public Service

Staff Relations Act (prohibition of strike and lockout in the Public Service).

The Acting Speaker (Mr. Paproski): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Attewell: Mr. Speaker, the thrust of my private member's bill will be to preclude any future strikes by the civil service. This will be achieved by declaring all government services essential.

There are thousands of hard working, loyal civil servants, but many Canadians are fed up with the attitude of the more militant civil servants. Civil servants enjoy fully indexed pensions, good salaries and relatively secure jobs, but every few years they hijack Canadians by calling a strike thereby causing harm and anxiety to thousands of Canadians.

My bill would remedy this problem and I am pleased that my colleague, the hon. member for Mississauga South, is going to second my bill.

The Acting Speaker (Mr. Paproski): Mr. Attewell moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed to have been adopted.

Bill read the first time and printed.

* * *

MIDDLE EAST

PEACE CONFERENCE

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, there have been discussions and I think you will find unanimous consent to move the following motion. I move:

> That this House express its sincere hope for a successful Middle East peace conference. It calls on all participants to be open, flexible and understanding of each others' interests and fears, and prays for all who sit at the peace table, the wisdom to combine justice, security and stability for the entire region.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, on behalf of the Official Opposition, I have the pleasure to second the motion. I think we want the principal players to know that other Parliaments around the world wish them success in this very historical conference. We hope that the outcome of this conference will bring long lasting peace, security and safety for the peoples of all of those regions.

[*Translation*]

Mr. Lapierre: Mr. Speaker, I also want to congratulate the hon. member for tabling this motion. I believe that, for the whole international community, the Madrid Conference is an historic event. We hope that this vexing dispute, which has upset that part of the world for so long, will be settled. Of course, we urge all the parties to put aside their historical rivalries, for the sake of human dignity and the right of people to exist and manage their own lives. We hope this conference will bring positive results for the greater good of all humanity.

[*English*]

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, in discussing this motion with the member for Winnipeg Transcona, I do want to take a moment to compliment him on the motion and to say that, speaking on behalf of the government, we fully endorse the views expressed in this motion. We recognize that while this is seen as a miracle—we should see it that way—it is also the result of very difficult and painstaking work on behalf of many people around the world bringing opposite sides together.

We do pray that they will find a meaningful, lasting peace as a result of these meetings.

[*Translation*]

Mr. Leblanc: Mr. Speaker, I support this motion because, for at least 45 years, Arabs and Jews have been trying with great difficulty to talk to each other.

I would like to congratulate those who were instrumental in setting up that committee. It is good to see people sit down together and discuss things. Of course, I hope that the results will be positive for peace in the world.

[*English*]

The Acting Speaker (Mr. Paproski): 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.

EMPLOYMENT EQUITY ACT

APPOINTMENT OF SPECIAL COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the Employment Equity Act requires that it be reviewed by a committee of the House of Commons.

Therefore, I have the consent motion for that. I move:

That pursuant to Section 13(1) of the Employment Equity Act, Chapter 31, Revised Statutes of Canada, 1985, a special committee of the House undertakes a comprehensive review of the provisions and operations of this act and submits a report no later than May 1, 1992, and

That the special committee be appointed at the latest five sitting days after the adoption of this motion, and

That the membership be composed of eight members.

That changes in membership of the committee be effective immediately after a notification, signed by the member acting as the Chief Whip of any recognized party has been filed with the Clerk of the Committee, and

That the said special committee shall have the power of a standing committee as per Standing Order 108(1).

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

[*Translation*]

Mr. Lapierre: Mr. Speaker, we are certainly ready to consider support in that motion; however, I would like to ask the parliamentary secretary if only the hon. members who will sit on the committee will have the right to travel with the committee, or if we will have a sort of free for all, where all the members of the New Democratic Party in particular, will also be able to travel with the committee.

Will the rules be the same ones that apply to the Constitutional Committee or will they be more strict in this case?

[*English*]

Mr. Cooper: Mr. Speaker, I have given the Chair my copy of the motion.

As I recall, it was silent on the subject of travel as I do not think that was required by the committee.

The Acting Speaker (Mr. Paproski): Again, 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.

* * *

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, this is a motion for travel of the Standing Committee on Human Rights to the Akwesasne reserve:

That the Standing Committee on Human Rights and the Status of Disabled Persons and necessary staff be authorized to travel to the Akwesasne reserve November 19, 1991 for the purpose of holding public hearings pursuant to Standing Order 108(3)(b)(ii).

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

AUTHORIZATION TO VIDEOTAPE AKWESASNE HEARINGS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I guess this is the day.

I would like to move:

That the Standing Committee on Human Rights and the Status of Disabled Persons be authorized to permit videotaping of its public hearings at the Akwesasne reserve on November 19, 1991 pursuant to Standing Order 119(1).

Should they make it.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

JUSTICE AND THE SOLICITOR GENERAL

AUTHORIZATION FOR SUBCOMMITTEE TO TRAVEL

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I will try again.

I move:

> That the Subcommittee on National Security of the Standing Committee on Justice and the Solicitor General be authorized to travel to Toronto for the period beginning Thursday, November 7 to Sunday, November 10 in order to participate in a conference on matters pertaining to national security and that the necessary staff, the Clerk and a research officer do accompany the committee.

The Acting Speaker (Mr. Paproski): 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.

• (1540)

Mr. Cooper: On a point of clarification, Mr. Speaker. We want to be certain that the members of the Bloc Quebecois understood that the motion we were trying to pass would send the subcommittee on human rights to visit a reserve in Quebec, the Akwesasne reserve. We just want to be certain that they understood that when they declined to give us unanimous consent.

[*Translation*]

Mr. Lapierre: Exactly, Mr. Speaker. We knew this was another federal committee coming to interfere in Akwesasne, and we think Quebec is perfectly capable of looking after its own affairs. We don't need any interference by a federal committee.

[*English*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have the honour and privilege to represent Akwesasne in this House. The reserve is partially in Ontario, partially in Quebec and partially in New York State. It is one of the areas of this country that needs our attention the most.

Shame on anyone who would not want members of Parliament to take care of the native people of Akwesasne. Shame on those people. I hope that you would seek unanimous consent again, Mr. Speaker, and that members who perhaps in a moment of ill thought could not figure this out will reconsider for the good of the native people living in the Mohawk community of Akwesasne. Those people who were afflicted a year ago with a terrible insurrection have been affected recently by a dispute between the Warrior Society and the band council in which homes were burned and much of the community was destroyed. Handicapped people and other disabled people in that community need us, whether they live on the Ontario side, the Quebec side or the New York side.

I would ask that our colleagues take that into account.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I want to echo the comments of my friend and add that it is really unfortunate for the handicapped, not just on the Akwesasne reserve but in all of Canada. I gather this is a national conference which the committee wishes to attend to hear witnesses on the question of the disabled regarding the aboriginal community.

For individual members of this House, whether they call themselves Bloc Quebecois or whatever, to prevent that from occurring is utterly shameful.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford. Would you like me to put the motion again?

[*Translation*]

Mr. Lapierre: Mr. Speaker, I just want to say that if hon. members are so committed to aboriginal matters, how come none of them came to see us about this meritorious trip? If they are so interested in aboriginal matters, why didn't they—

[*English*]

The Acting Speaker (Mr. DeBlois): Order, please. If there are going to be any further negotiations they will have to be conducted behind the curtain. If you want to come back and put the motion that is fine. I think we should carry on with the business of the day.

[*Translation*]

PETITIONS

CLEAN-UP AND MAINTENANCE OF RIDEAU RIVER

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I would like to table a petition, in accordance with the Standing Orders. This petition addresses the serious pollution problem in the Rideau River which flows into the Ottawa River not far from Parliament Hill.

The undersigned now avail themselves of their right to present a grievance common to your petitioners. They humbly sheweth that whereas our economic and social well-being depends on a clean and healthy environment; whereas past negligence with respect to the environment has had a disastrous impact on many communities, including pollution of our rivers and streams; therefore your petitioners humbly pray and call upon Parliament to ask the federal government to act as equal partners with provincial and municipal authorities in order to implement an action plan for the clean-up and maintenance of the Rideau River.

GUN CONTROL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have two petitions on firearms. The petitioners are residents of Ottawa and Orléans, and they humbly sheweth that the availability of firearms is a critical factor in cases of homicide, accidents and suicides; that there are many types of firearms readily available in Canada which are not required for legitimate purposes such as hunting and competitive shooting. Wherefore your petitioners humbly pray and call upon Parliament to pass legislation now to prohibit possession of firearms by any person with a criminal record.

[*English*]

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, having been unsuccessful to convince one or two members to give assistance to Akwesasne let me try my hand at a petition asking this House to assist with the terrible farming problems in all of Canada, particularly in Glengarry—Prescott—Russell. Aid from the Government of Canada is greatly needed because of the low prices of crops this year.

I am pleased to table this petition pursuant to Standing Order 36 of the House of Commons.

JUSTICE

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I am happy to rise pursuant to Standing Order 36 and present a petition to the House of Commons regarding the murder of Nina DeVilliers last August. This incident exposed serious deficiencies in the criminal justice system. There are many vulnerable persons who have little protection under the current system. Women, children, and disabled persons are at particular risk.

Therefore petitioners from all over the metropolitan Toronto area request Parliament to recognize that crimes of violence against the person are serious and abhorrent to society. They say that we must amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

YUGOSLAVIA

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present this petition describing the serious situation presently raging in Yugoslavia.

Petitioners believe that terrorist activities are taking place. Our own Prime Minister has requested that the Security Council of the United Nations intervene and consider the use of peacekeeping forces. The petitioners call for justice and humanity to prevail and violence to cease. They also want Croatia and Slovenia recognized as independent and sovereign states without delay.

JUSTICE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I have a number of petitions to present with hundreds of signatures from people in my riding of Hamilton Mountain and other areas of Hamilton, Stoney Creek, and Ancaster. The petitioners ask that Parliament recognize that crimes of violence against a person are serious and abhorrent to society.

They ask this government to amend the Criminal Code of Canada, the Bail Reform Act of 1972, and the Parole Act accordingly.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Point of Order

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Question No. 116 will be answered today.

[*Text*]

Question No. 116—**Mr. Boudria:**

With respect to the calculation of costs for answering *Order Paper* questions, (a) what was the cost of the calculation (b) who devised the plan for the calculation (c) how much did it cost to devise the plan for the calculation?

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): As Government House Leader, the Minister has full responsibility for the ordering of government business in the House of Commons. Included in this overall responsibility are the supervision of replies to written questions and the process involved in replying to such questions.

In 1975, the then Leader of the Government in the House of Commons requested that, for a period of six weeks, the cost of answering questions be provided to estimate the cost of producing government information through the parliamentary system.

The cost accounting system used (logging of time spent and salary of each individual) proved to be time consuming, unreliable and created delays in the process of answering questions as it was too elaborate and personal. The study produced an average cost of $60 per respondent. Some questions may have up to 120 respondents (all Departments, Agencies and Crown Corporations).

With the result, the government could estimate the approximate cost of producing government information for a Session or any period of time.

Ex.: 275 questions assigned to 625 Departments, Agencies and Crown Corporations
625 respondents X $60. = $37,500
(1975 cost)

Since then, only *rough estimates* have been released:

1979—$100. per respondent
1981—$125. per respondent
1986—$175. per respondent

Last spring, the Parliamentary Returns Division (PRD) of the Office of the Leader of the Government in the House of Commons was requested to set up a cost accounting system to identify time consuming questions and determine their cost while minimizing the time and cost of the exercise.

Based on the 1975 experience, it was decided that respondents would only provide the approximate total number of hours/minutes spent to prepare each response. The total number of hours/minutes includes the approximate time spent on all preparation steps i.e.: assignment, research, preparation, editing, coordinating, typing, computer time, review, translation, approval, printing, etc.

The cost of answering is arrived by multiplying the total number of hours/minutes by the average hourly rate of the Public Service plus printing cost, if voluminous. The time to calculate the cost of answering a question takes only a few seconds.

[*English*]

Mr. Speaker: The question as enumerated by the parliamentary secretary has been answered.

Mr. Cooper: I ask that the remaining questions be allowed to stand.

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all notices of motions for the production of papers be allowed to stand.

Some hon. members: Agreed.

* * *

POINT OF ORDER

BLOC QUÉBÉCOIS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I plan on being very brief but I would like to ask the Speaker to investigate something for me.

Earlier we heard the concerns raised by the Bloc Quebecois about the activities of members of Parliament relating specifically to a committee. I saw a demonstra-

tion of their concern about their individual rights being protected by the Speaker.

We as members of this House have for as long as I can remember paid great respect to the committees of this House. We feel they are an absolutely fundamental part of our process. We are all particularly proud of our membership on those committees and very proud of the work that those committees do.

On several occasions the Bloc has insisted upon its use of obstruction to prevent committees from doing their work.

I would ask that in the deliberations the Speaker is already considering on the matter of committees and expenditures by members on those committees while they travel that the Speaker would consider one other thing. That is that the hon. members who have been doing this represent one of 295 members of this House.

It would seem to me therefore to be logical that they should receive about every 295th speech, every 295th question, and every 295th statement. I would ask that the Speaker look at this issue at the same time as he is considering these other matters.

• (1550)

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I raise a point of order on the same point.

I think that the parliamentary secretary is not serious when he makes a statement like that, especially because he tries to take measures against us, since from time to time, the parliamentary secretary, who is a little—has decided that he runs the House his way and that as soon as he asks for leave, all members should give unanimous consent, with apologies.

Mr. Speaker, you know that as members of this House, we do not have many privileges. You know that so far, we have not been allowed to attend parliamentary committees, even those we wanted to be on full time. Mr. Speaker, I think that the suggestion made by the Parliamentary Secretary to the House Leader is frivolous and contrary to the spirit of parliamentary reform.

Point of Order

[*English*]

The Acting Speaker (Mr. Paproski): I do not think we should carry on the debate any further.

* * *

MOTION TO ADJOURN UNDER S. O. 52

NUCLEAR VESSELS

The Acting Speaker (Mr. Paproski): I am in receipt of a notice of motion under Standing Orders 52 from the hon. member for Skeena.

Mr. Jim Fulton (Skeena): Mr. Speaker, I rise pursuant to Standing Order 52 to request the adjournment of the House because I believe the House has the responsibility to debate thoroughly and to look into exactly what happened in terms of the three Orders in Council that were passed today, one in relation to U.S. and British propelled vessels passing through Canadian waters and to visit Canadian ports, the second the consent for U.S. and British vessels capable of carrying nuclear weapons to pass through Canadian waters and to visit Canadian ports, and the third is a consent Order in Council for U.S. nuclear propelled submarines, in particular the Trident nuclear submarines, to pass through Canadian waters in Dixon Entrance on their way to the new U.S. nuclear submarine base in southeast Alaska.

The reason that I very firmly believe that this is an issue that is deserving of an emergency debate is that the Order in Council technique that was used for these three Orders in Council was found on May 14 by the Federal Court of Canada, trial division, before Mr. Justice Allison Walsh to be illegal, and he struck down the use of that technique in terms of Alcan's Kemano project.

I think because the Minister of National Defence will be leaving Canada for the next two weeks, apparently shortly, it is important that this be—

The Acting Speaker (Mr. Paproski): The Speaker has had a chance to look at the hon. member's application and at this time he does not quite feel that it is necessary for us to have an emergency debate. But that does not necessarily mean that at a future date the hon. member could not have an emergency debate in regard to his application.

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed from Tuesday, October 29, consideration of the motion of Mr. Blais that Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations.

The Acting Speaker (Mr. Paproski): The Chair has now had an opportunity to examine the proposed amendment and finds it to be in order. I will propose it to the House. Moved by Mr. Rodriguez, seconded by Mr. Whittaker:

> 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-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, as the economic climate makes this an inopportune time to impose a new tax on small and medium-sized businesses.

I believe we were finished with questions and comments. I will now go to the hon. member for Cardigan for 10 minutes plus five minutes questions and comments, and then return to the hon. member for Edmonton Southwest for debate.

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, since this is the first time I have had a chance to speak in debate with you in the Chair since your return, on behalf of my wife and three daughters whom you know very well I would like to welcome you back. I am sure they are very pleased to see you there today. I am also very pleased to participate in the debate today on Bill C-22, amendments to the Bankruptcy Act. Everyone agrees the bill is an improvement over what is in place now but there are still some problems.

The bill as it now stands provides no protection for the primary producers like the farmers and fishermen. The sad state of the fishing industry in Atlantic Canada is obvious in the number of processing plant bankruptcies. The farming industry is going through some tough times and those people are going out of business as well.

The long and the short of the matter is that the economy is in such a mess because of this government's policies that we need a new Bankruptcy Act to deal with the situation.

I have fishermen in my riding who have lost thousands of dollars because the processor they dealt with went under. Fishermen sell their fish expecting to get paid for their work, but when fish companies go broke, they cannot collect a dime. This is just not acceptable.

In this bill there is a clause dealing with unpaid suppliers. It says that unpaid suppliers can go in after a company declares bankruptcy and retrieve their goods for up to 30 days. However, to do this a number of conditions must be met. The product must be in original condition and must be identifiable from other products.

For farmers and fishermen this is a very serious problem. Anyone who knows anything about fishing knows that you cannot tell one lobster from another in a crate. As well, lobsters that are processed are processed immediately, changing the condition of the lobster. Under the current proposals the fisherman would be out of luck and still would not be able to collect a cent. This is just not acceptable.

Similarly, in the farming industry there is no way I can tell a potato of the same variety that I grow from my neighbour's up the road who grows potatoes. All potatoes of the same variety as we well know look the same. In the fall a farmer usually sells his product to a single wholesaler or processor. It that company goes broke, the farmer cannot get anything back.

What many people do not realize is that a bankruptcy does not affect only one company or one person. In one processor bankruptcy a fisherman in my riding lost $30,000 and to a fisherman in my riding, that is a big loss and a lot of money. Fishermen have to pay their helpers, make payments on their boats, pay for bait and pay for many things. The $30,000 that was not paid to one fisherman ends up coming out of the pockets of many people. Thirty thousand dollars is a person's income for a year. In bankruptcy that is the same thing as losing your job.

These are the serious reasons why fishermen and farmers need protection. When a company goes bank-

rupt many people get hurt. For some time I have been trying to get some protection for farmers and fishermen who are affected by bankruptcies.

I wrote to the Minister of Fisheries and Oceans asking him to help fishermen. The best the minister said he could do was talk to his colleague, the Minister of Consumer and Corporate Affairs, and see if it could be put in the Bankruptcy Act revisions. That was almost a year ago. We now have the government's revisions and there is still no protection for farmers and fishermen.

I and my colleague from Dartmouth and other members of the Liberal Party have been trying to make changes to Bill C–22. An amendment has to be put forward that will allow fishermen to retrieve goods from a bankrupt company after the value has been added. This gives greater protection to fishermen. Giving fishermen and farmers a so–called super priority when it comes to selling off the assets of a bankrupt firm should be considered. These are two small things that would give primary producers greater protection.

I would like to give another example of a problem that can happen in bankruptcies. Let us consider a farmer who is having financial difficulties and obtains employment off of the farm. This farmer, possibly in November, December and January works out and goes on unemployment in January. He could receive the UI all year. Then let us say in November or December the bank moves in and sells his property. What is above capital gains on the sale is counted as income for this farmer. Now the farmer will not receive one nickel of the money. It goes against his debts. Revenue Canada will then send this farmer a bill after he has gone through the problem of bankruptcy, the heartache and the worry. He has gone through hell. When he wants to get his life in order and start a new business, revenue Canada says: "I want that money back". The simple thing is that man does not have that money. He has used the dollars he has received in UI to feed his wife and family.

• (1600)

This is one example. It is grossly unfair and it blocks the person from getting back into business and becoming a productive member of society, as of course all farmers wish to be.

In my view there should be some strong measures put in the legislation to protect the primary producers of Canada. It is certainly unfair that a primary producer is generally the last person to collect a nickel in the bankruptcy.

The situation must change if fisherman or farmers are to receive any benefit from the Bankruptcy Act revisions. The bill goes a long way in improving bankruptcy processes in Canada. However, it does not give fishermen or farmers in my riding the protection they need. As I explained previously, there are so many things that can happen.

I hope the government will listen and make the proper changes in order to give the farmers and fishermen the proper protection they need under this new legislation.

Mr. Whittaker: Mr. Speaker, on a point order. I would like to move at this time that the hon. member for Mississauga South be now heard.

Mr. Edwards: Mr. Speaker, I believe you may wish to find that the motion is out of order. I understood you to have said that I would be heard following the intervention of our hon. friend from Cardigan.

The Acting Speaker (Mr. Paproski): This was a special few minutes for the hon. member because he has to catch a plane. I did recognize the hon. member for Edmonton Southwest after. It is now questions and comments and I do not think the hon. member can put his motion at this time.

If there are no questions or comments. Debate. The hon. member for Mississauga South on a question or comment.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I wonder if the hon. member has taken a look at the wage protection fund that is proposed in this bill and if he thinks his constituents would be prepared to pay into a wage protection fund. I am thinking of his hospitals, municipalities and people who work in fields where obviously the organization is part of government directly or indirectly. They are not likely to go bankrupt. Does he think they will be happy to kick in? It is only 10 cents a week per person to start with but these things grow and grow.

I wonder if he had a conversation with people about that and if he has spoken to his small business community about that.

For example, he has waxed about fishermen. I have not seen trustees or receivers appointed for fishermen. Perhaps he would enlighten us about that.

Mr. MacAulay: Mr. Speaker, I thank the hon. member for his question.

Only 10 cents. It is very unfortunate when you impose a 10 cent tax. It automatically seems to become $10 then $50 and whatever. A prime example is inspection fees in the seed potato industry. We agree with wage protection if it comes out of the product that is liquidated. It should be a super priority. That is what we feel.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think you will find that *Hansard* for yesterday shows that when I was last on my feet, it was on questions and comments.

The clock should begin now on my opportunity.

The Acting Speaker (Mr. Paproski): I have taken that into consideration. I know that the hon. member was on questions and comments. This is debate. He has 20 minutes plus 10 minutes questions and comments.

Mr. Edwards: I appreciate that clarification, and I am grateful for it.

I am very privileged to have an opportunity to rise before this House to speak in support of Bill C-22 which, as you know, introduces long awaited amendments to the Bankruptcy Act and other statutes.

Judging from the relatively strong consensus that emerged during pre-study that the proposed reform package represents a balanced approach to deal with the competing interests that arise in insolvency situations, I am confident that this Parliament will make every effort to ensure quick passage of Bill C-22 into law.

All members of this House recognize the over-arching responsibility which they have to update laws that impede economic growth and prosperity and to ensure that business and consumers are treated fairly in the marketplace.

Through Bill C-22 we have been given the opportunity to help build a stronger Canada, and it is an obligation we must accept with pride.

Before discussing these reforms, I would like to take a moment to place them in their proper context.

Since our election in 1984, this government has always espoused the position that to support and invigorate the economy, economic framework legislation has to be adapted to the needs of the modern marketplace.

That is why in the intervening years we have systematically sought to overhaul our economic framework legislation, those essential tools of commerce that set the ground rules for a fair, competitive and orderly marketplace.

For example, in almost every field within the purview of consumer and corporate affairs—copyright, trademark, corporations, competition, patent legislation and now bankruptcy—outdated and inadequate rules have been modernized and where necessary, new laws have been enacted.

We have taken these measures because we know for a fact that the interplay of market forces in a setting where there is a fair chance to compete is the foundation upon which a dynamic, prosperous economy can be built.

As a recent discussion paper prepared for the recently established prosperity secretariat makes clear: "Canada's long-term productivity and competitiveness depends on complimentary and coherent laws and regulations governing the domestic marketplace. Framework and regulatory policies must meet their objectives while, at the same time, enable firms to compete successfully at home and abroad".

We also know that a healthy economy is a prerequisite for maintaining and improving the social safety net of which Canadians are so justifiably proud.

While there may not always have been unanimity about whether the right medicine was being administered, there has always been a consensus that thoughtful and firm action was warranted.

Bill C-22 represents a continuation of this ongoing process of reform. It is a thoughtful, firm piece of legislation designed to better protect the interests of wage earners and consumers, and to help preserve jobs by assisting viable businesses in financial trouble to get back on their feet.

As was evidenced during pre-study of these reforms, all members of this House have strong views about the

need to equip the marketplace with a relevant, fair and equitable set of rules that will support and invigorate it.

That is why in my presentation to you today I want to comment on certain aspects of the bill and on some of the issues raised in the report of the Standing Committee on Consumer and Corporate Affairs and Government Operations following its pre-study of this proposed legislation.

[*Translation*]

One of the main shortcomings of the existing Bankruptcy Act is the little protection it affords businesses in financial difficulty, and whatever little protection it does afford is not particularly fair or easily accessible.

Currently, the stay of procedings brought about by the filing of a proposal only protects the debtor against unsecured creditors such as suppliers or employees.

• (1610)

On the other hand, secured creditors such as banks, financial institutions, governments, equipment lessors, landlords, etc., remain free to claim the reimbursement of the debts or to exercise other remedies such as having a receiver appointed to realize their security interest.

For businesses trying to rationalize their operations or to restructure their debt, this type of unilateral action on the part of some creditors can make rationalization very difficult, if not impossible.

[*English*]

As legislators we have a far broader constituency to whom we must be accountable. That is the people of Canada. That is why we all share a responsibility to ensure that Bill C-22 achieves its myriad objectives quickly and effectively.

The vast majority of the recommendations suggested by the standing committee during pre-study are most welcome. In particular I can say to the hon. member for Cardigan that we welcome the recommendation concerning the situation of, as the hon. Flora Macdonald used to say, farmers and fishers. We can give a commitment that very soon, upon the proclamation of this act, a task force will be set in place to develop a consensus among all the stakeholders so that this problem can be properly addressed.

I wish to associate myself with the positive words of the minister yesterday when he congratulated the members of the standing committee for their excellent work during pre-study.

The recommendations suggested by the standing committee would have the effect of clarifying the rights, responsibilities and obligations of debtors, creditors and receivers in instances of bankruptcy and insolvency. They have been given full consideration by the minister. It is clear that many of them will significantly improve the bill.

The progressive approach to consumer bankruptcies that characterizes Bill C-22 reflects this government's concern that the emphasis on rehabilitation extend not just to business. The consumer provisions we are proposing, which will have the effect of providing individuals in financial difficulty with more breathing space in which to reorganize their affairs, are long awaited ones.

So too are the provisions that would allow a debtor to negotiate with creditors to pay less than the total amount of his or her debt owing and to reschedule payments over a longer period.

Faced with the alternative of forcing the debtor into personal bankruptcy and the likelihood of not seeing any compensation at all, most creditors will be glad for an option that provides some prospect for a return on their dollar. Should personal bankruptcy be the only real option open to the unfortunate debtor, our proposals would provide far easier access to affordable and expedient administrative procedures.

As the standing committee acknowledged during pre-study, these measures will make it easier for bankrupt individuals to get back on their feet and start contributing fully to society once more.

[*Translation*]

Mr. Speaker, I would now like to touch on a rather controversial aspect of this long awaited reform of the Bankruptcy Act. I am referring, of course, to the wage payment protection. Needless to say that the existing legislation is not particularly fair to the workers.

In fact, not only do they find themselves out of a job following a bankruptcy, but more often than not they cannot get their former employer to pay them the wages owed to them and other benefits they are entitled to.

The six previous attempts to reform this legislation over the past 20 years have all failed because we could never agree on things like the form this protection should take, its funding or under what jurisdiction it should come.

It is scandalous and quite intolerable that we have not finished talking and that workers are without any real protection. Workers have suffered too much until now and this situation has gone on long enough.

I call on my fellow members not to lose sight of this and not to let another opportunity to correct an injustice go by. Of course, everyone has a right to defend his ideas, but once the dust has settled, we could not claim victory unless the reform included adequate protection for workers.

[*English*]

On that note let me take a few moments to explain why I feel far more confident about the measures proposed in Bill C–22 than about other options that have been proposed. Earlier I mentioned that fairness and accessibility were important standards against which to assess Bill C–22.

The only other alternatives in the area of wage earner protection appear to me to be retrogressive when contrasted with what the government has proposed. The wage claim payment program guarantees all workers a minimum but realistic level of protection for the recovery of wages and other moneys owed to them when their employers go bankrupt. Faced with the bleak prospect of unemployment the last thing workers need is to have to spend time worrying about when and if they will see any of the moneys owed to them.

Financed by a 10 cent per person per week levy on payrolls the moneys collected would go into a fund that would guarantee workers receive the moneys they are owed fast and with a minimum of red tape. The program would be user friendly to both wage earners and businesses. The levy would be incorporated into existing unemployment insurance premium calculations and would therefore not add to the paper burden which industry faces.

Rather than accept the administratively simple procedure of creating a fund, some suggest that we should provide wage earners super priority on the remaining assets of the bankrupt firm for wages and other moneys owed to them up to a theoretical maximum level. The notion of a super priority is not new. It has been extensively debated before both in Canada and in the European Community and has been found to be seriously wanting for several reasons.

The first is that it is neither sure nor is it prompt. Super priority assumes that there will be sufficient available assets remaining in the bankrupt firm to cover claims for wages and other moneys owed to employees. That is an increasingly tenuous prospect given the greater latitude Bill C–22 provides for unpaid suppliers to recoup their assets.

Assuming the bankrupt firm has sufficient assets to cover wages and other moneys owed, what happens if these assets are not liquid? It may take several months before the firm's assets are liquidated.

The fact remains that before extending a loan, a financial institution will insist on some sort of collateral. This will require the lender to estimate the market value of the assets of a firm, a tricky and often imprecise exercise particularly when perishable goods or partially processed manufactured goods are involved. The result of a policy of super priority would unquestionably be a significant restriction in the availability of credit as secured creditors compensate for the higher level of risk they will have to contend with. There are no ifs, ands or buts on this score.

Yesterday in this House the hon. member for Dartmouth suggested that super priority would have little impact on the availability of credit. He indicated that since the fund created by Bill C–22 would amount to between $60 million and $70 million the impact on credit would be $60 million to $70 million on a total of $150 billion credit available in Canada. At first glance this appears to be a convincing argument. Unfortunately it is incorrect.

In fact the credit impact would total only $60 million when we know which companies go bankrupt, but lenders cannot predict beforehand which companies these will be. If they knew they would provide no credit at all to those firms.

In reality the lenders would have to establish a formula to protect their investments across the board. Here is how they would do that. Under the plan espoused by the hon. member for Dartmouth wage earners would be eligible for a super priority over other creditors up to a maximum of $3,000. For example let us take a company of 100 employees. To calculate the potential liability created by super priority the lenders would multiply 100

workers by $3,000 and come up with $300,000. That means that the first $300,000 of a company's assets would be unavailable to secured creditors in the event of insolvency. Even factoring in competition between lenders the total credit restriction for this hypothetical company would be at least $150,000 to $200,000. Under the wage claim payment program proposed in Bill C-22 the company would pay a levy of approximately $520 per year. That is $520 per year versus hundreds of thousands in credit restriction.

• (1620)

It is very clear which proposal would place a greater burden on businesses.

Indeed I recommend that all members of the House who support super priority read the 1986 report of the Advisory Committee on Bankruptcy and Insolvency, chaired by Gary Colter. It commented at some length on the legal and administrative murkiness of super priority, especially in light of the proliferation of innovative security instruments that have appeared over the past decade.

As Gary Colter put it: "In principle, super priority sounds very simple. However, it must be realized that there are many different types of security interests, and the allocation of the burden of paying wage claims among the various secured creditors is a complicated task. The courts will be clogged with cases attempting to determine the respective priorities of various classes of secured creditors".

I find it interesting that in his speech to the House yesterday the hon. member for Dartmouth invoked the name of Gary Colter as an expert on insolvency matters.

The hon. member quoted Mr. Colter as saying that the reforms to the Bankruptcy Act must above all be fair and equitable. I quite agree with those sentiments and also agree that Mr. Colter is one of the country's leading bankruptcy authorities. Why then does the hon. member for Dartmouth conveniently disregard Mr. Colter's clear warning about the tremendous unsuitability and danger of a super priority approach? One might suggest that the hon. member go back and read the entire report of the Colter committee.

[*Translation*]

An argument often used by advocates of super priority is that it is unfair to require companies and the federal, provincial and municipal governments which cannot go bankrupt to subsidize, in a sense, the companies that can go broke. They are also against having employees pay 10 cents a week. This argument makes no sense.

By agreeing to contribute, governments would knowingly agree to help lessen the tax burden on companies so that they can continue to create wealth and jobs. For example, asking employers to pay this very small amount is much better than asking all Canadians to do so, which would have been the case if we funded this program from the government's general revenues as some have asked us to do.

Furthermore, I am absolutely convinced that super priority would increase the risks for secured creditors, who would therefore tighten the credit requirements for businesses, especially labour-intensive ones.

[*English*]

In conclusion, I would like to quote very, very briefly from two communications recently received from two of the major stakeholders. First of all: "We do not believe it is necessary to reiterate the well-documented host of reasons for rejecting the recommendations of a super priority for wage claims. As you are aware, they include the very negative impact on credit availability for business, the difficulty in establishing a procedure to determine which assets of which secured creditor in an insolvency should bear the burden of the wage claim and the inability to pay wage claims quickly and efficiently where there is a delay in the realization of assets". That is from the Canadian Chamber of Commerce.

Finally, very briefly: "It is our view that in most bankruptcies the assets of the bankrupt firm are insufficient to meet most claims and raising wages to a super priority status would not guarantee either speed or certainty of payment. We remain unconvinced by the recommendations of the committee that elevating wages to a higher priority over the claims of other credits would guarantee speed and certainty of payment". That correspondence was in total agreement with the Canadian Chamber of Commerce and was signed by Shirley Carr, president of the Canadian Labour Congress.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, first of all I want to thank the hon. member for allowing my colleague from Prince Edward Island to speak ahead of him and for the patience of the Chair in sorting out that new speaking order.

I do not really have a great deal to quarrel with in the interpretation of most of the issues in the Bankruptcy Act or Bill C-22 as put forward by my hon. colleague from Alberta.

I do have some difficulty in allowing him to sort of buy holus-bolus and swallow hook line and sinker the line from the Canadian financial institutions, most particularly the banks.

We have gone through this many times. I have spoken to the parliamentary secretary. I have spoken to officials in the department. I have spoken to the minister. I have indicated that the banks came in at the beginning of this whole process when we did pre-study and told us two things. There is another provision in here which is a very good provision and it is one that I support whole-heartedly. It is on revindication of goods.

We all remember it, anybody who was at that committee. The revindication process says that if goods are sold within 30 days of a bankruptcy the supplier of those goods has a right to go in and reclaim the goods.

Prior to this in the old bill those goods would have been there and they would not have been revindicated. They could not get them back. Those goods would have been part of the assets that were liquidated by the bank to realize on their security. That is what would happen.

We heard early on that the banks were concerned about two things. The first was that the revindication was going to cause a credit crunch. That is what the banks said. We told them that we did not believe them for a minute. We proved it to them through the hearings. We proved it to everybody who was there. We got officials in from Quebec and asked them how the civil law was being interpreted in Quebec because they have a revindication in the province of Quebec which perhaps does not go as far. The bankers told us two things. They told us that if we allowed revindication there would be a credit crunch. Second, they told us if we allowed a super priority there would be a credit crunch.

We quickly disrobed the bankers and saw them standing naked without anything to back them up. After we spoke to officials from Quebec we found out there was no credit crunch in Quebec on revindication. They dropped their objection and turned their full guns on super priority.

As quickly as they dropped their objections when they were found out to be not factual, the government, the minister, the parliamentary secretary and everybody else have swallowed that if we put in a super priority all of a sudden there will be a credit crunch there.

We cannot have it both ways. The banks were found not to be truthful in their threats of a credit crunch on revindication, and thank goodness for that because it is still in the bill and it is a very good proposal. What in the name of goodness would lead the parliamentary secretary to believe that the banks' ominous predictions of massive credit crunch are going to be indeed the case if we go through with super priority.

We are opposed on this side to a tax. The member opposite was opposed earlier in the year to a tax. I think most members of this House are opposed to a tax.

What I want to ask the hon. parliamentary secretary is: Why believe the banks now? We know it was not the case in revindication. We know that the credit crunch was not the result of basically a super priority or a deemed trust situation a dozen years ago on source deductions owing.

I would like to find out what magical crystal ball he has looked into and why he now believes the banks when his own department and his own minister did not believe the banks and their ominous warnings on revindication.

Mr. Edwards: Mr. Speaker, I appreciate the intervention by the hon. member for Dartmouth who has made such a good contribution to this debate and who did such outstanding work in the pre-study by the standing committee.

I want to say first of all that it was a pleasure to yield to the member for Cardigan who is a good friend and who represents a remarkable area of this country wherein lie the roots of my wife's family and which I know rather well. I envy him his return to that fabled island.

I am not sure my hon. friend was here to hear this yesterday, but I did respond to his reminder of the survey done by the CFIB of members of Parliament and their attitudes toward a tax in this regard. I will just summarize my response of yesterday by saying that we are all here to learn. One of the most wonderful things I have learned over the past few weeks since October 8 when I took an oath as parliamentary secretary is the lack of wisdom of super priority and the wisdom of a tax. We can all learn. We can be educated. The hon. member opposite in perhaps 20 years may have the opportunity to become a parliamentary secretary and may learn what I am talking about.

• (1630)

I believe the committee did not accept the idea that the banks would change their credit granting practices. Perhaps the committee should not have ignored what banks have done and are presently going to do with super priority for withholding. They have amended their margin formulas. Banks will always respond so as to best protect themselves. I do not think there will be any challenge to that truism around this House.

Credit may not be impacted in dealings with large corporations and multinationals. However, borrowers with less than the double *a* rating will undoubtedly face restrictions. Lenders will definitely take into account the impact of wage priority when fixing margin ratios, particularly for the riskiest and most vulnerable and labour intensive businesses.

The cost to such an employer of a reduced margin on credit availability would be much greater than $5.20 per employee per year. Furthermore, when a vulnerable borrower is up for credit review or given some financial difficulties, the lender requests that a viability study be performed by an independent third party account firm and such an accounting firm would see that the realization test applied in reviewing the credit should include a full reserve for wage liability, thus resulting in a cutback in credit to a business which terribly and precisely needs more credit and a break to survive temporary financial difficulties.

That would be the straw that breaks the camel's back for that particular business. That is not speculation. If the margining formula does not reserve for wage liability the viability report will do so at full values and exposure, and this will result in a sudden reduction of credit from the borrowers most vulnerable and when the borrower needs the credit most.

As to my friend's point on competition among banks, banks are not competing on the basis of more relaxed credit granting policies. Banks are competing by offering new and better products and services, not by relaxing credit terms. Competition and maintenance of sound credit granting policies are not congruent concepts.

In conclusion, a key policy of the government is to contain and reduce expenditures in order to contain and reduce the federal deficit. It is hard to know how this kind of a recommendation would impact on that.

The concept of super priority has been rejected by just about all the stakeholders in the game, except for the Canadian Federation of Independent Business and perhaps the Vancouver Board of Trade. All other groups, including the Canadian Chamber of Commerce, the Canadian Manufacturers' Association, the Canadian Labour Congress and the Canadian Federation of Labour, have indicated their strong preference for a fund over super priority.

Indeed, in the first few days of hearing, the hon. member for Mississauga South for one systematically asked each and every witness what they thought of super priority. Invariably the answer was that super priority would not work and would have a negative impact on credit availability and was not therefore the preferred option.

It is a total mystery contained in a conundrum within an enigma to me why the hon. member for Mississauga South who donated his not inconsiderable talents and wisdom to the work of this committee— as a contribution he offered himself into the work of the committee and I am sure that all who know and respect him appreciate that—came up with a recommendation for super priority in the face of such incontrovertible evidence.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I was interested in the compliments given to me by the member for Edmonton. I hope he realizes that I have had something to do with banks over the past decade or so in the finance committee.

I want to tell him that I get along very well with the bankers and the trust officers and the people in the financial community. I know where they are coming from

when they want to protect their interest because I am faced with lobbying from them all of the time.

When I understand their concerns, I understand them well. I am also able to judge the validity of the concerns. I think that my friend from Dartmouth probably has the situation in hand in a more appropriate fashion than the minister and his parliamentary secretary who seem to swallow the whole problem of the banks, holus-bolus, in full, *in toto*.

I cannot understand why they would do that when even my friend from Nickel Belt understands them, and understands them well. I want to tell the parliamentary secretary—he left—but I want to put it on the record that my friend from Nickel Belt gets along exceptionally well with the banks. He was sitting beside Helen Sinclair for the last period of time in the finance committee passing the Bank Act and the insurance act, and taking instructions and help from the bankers.

He knows them well. He understands them, and he knows where they are coming from. We all know where they are coming from. The fact of the matter is that there are a number of problems in bankruptcies. I want to go over them.

I was nominated as a critic for this party when we were in opposition. During the period 1982 to 1984, there was a great deal of negotiation in connection with a bankruptcy and insolvency act.

Part of the problem developed from the Landry commission that, like all of these commissions, decided to talk about some kind of a fund. After some considerable negotiation, it was agreed on all sides that Bill C-17 be presented with a super priority. That was moving along very well in committee until a certain leader decided to take a walk in the snow.

That led to a certain convention and that led to a certain political party that was then the government going to the country and finding their popularity was a mile wide and an inch deep when they swam in the swimming pool.

Consequently in 1984 that act died on the Order Paper. Unfortunately it is only now, many years later that we bring it up again.

There are five basic issues in a bankruptcy. First of all, there is the issue of receivers. Right now, if a receiver is appointed, there is no law. He walks in. He takes over under the terms of the security agreement. If the security agreement is breached, somebody can start a lawsuit, but essentially the receiver takes over under the terms of the security agreement.

There it is. The effect of this act is to bring receivers into the insolvency legislation. That is very important. It must be done and it is about time.

The second thing is that there has to be something done in our bankruptcy law that has been required for a long time to deal with reorganizations where companies are in deep financial trouble. Can they reorganize, can we have arrangements with creditors that work? This bill again attempts to do that and does it very well.

Some of the suggestions the committee gave will make it work even better, and I am sure the minister will accept those.

The third thing is the question of revindication. When a manufacturer or processor sells something and does not get paid, in the very short period between when he delivers the goods and insolvency or receivership of some kind, under this bill he is able to go and get his goods back if he can identify them and they have not been further processed. That is probably a good thing.

I want to point out that that is a super priority. That is a super priority. All right. Good super priority.

The third issue has been the question of Crown priorities. Over a period of time, the Crown has been bit by bit putting its nose into insolvency so that it can be first in line. The Crown wants to be a super priority on income tax, on unemployment insurance, on Canada Pension and on one fee after another.

• (1640)

The provinces have super priorities on Workers' Compensation premiums and everybody wants a priority there. Under Bill C-17, those priorities were given up by the Crown. The Crown became an ordinary creditor. Under this bill, only the federal Crown on income tax deductions and on UIC and on Canada Pension keeps its priorities. Now the provincial Crown gets shoved down to the basement but the federal Crown somehow decides to keep its super priority.

Then of course the question is what do we do with wages. The current act was passed in 1949 when there were no or very few general security agreements. Banks and creditors generally did not have floating charge security and so the problem did not arise. When people went bankrupt, the wage earners had a $500 preference when the estate of an insolvent person was put through bankruptcy.

The trouble is today we do not have bankruptcies. We have a situation where the secured creditor sends his receiver in and the receiver sells everything out. Of course it is stuck with a Crown priority. Then the receiver takes the money and there is nothing left for anybody.

What bankruptcy legislation is really trying to do is re-orient the priorities because in an insolvency there never is enough money to pay everybody. If there was enough money to pay everybody there would not be an insolvency. So this legislation and all bankruptcy and insolvency legislation deals with sorting out what is left and how you divide it.

The issue really is, how do you work out the questions of priority? The current situation is that the Crown comes first: super-priority. The second person to come first is the big bank, who has the security on it. I want to tell you someone else who might come first. It might be the shareholders who were smart enough to register a floating charge debenture themselves. As a lawyer on many occasions acting for a shareholder, I have gone in and sent my trustee in or my receiver in, seized the assets, wiped out the ordinary creditors and sold the assets to someone else.

That is not very nice. You know that a shareholder does not have to be a director and therefore is not responsible for wages. So right now under the current system, the person with that floating charge security can wind up ahead. After the Crown they were there. Okay.

What we should be doing is re-orienting the priorities. That is what this bill should be about. That is when we talk wages, it is what we are talking about. We are talking about re-orienting the priorities. It was the view of the committee that workers should come first. Workers ought to have something out of what is left in an insolvency, first. Then the view of the committee was that the secured creditors should come, after revindication of early delivered goods. And then of course, eventually, the ordinary creditors come and the Crown would be an ordinary creditor.

That is what this is all about. This debate is about priorities. Who is to collect out of an amount of assets that are there? The view of the committee was that workers should come first. People who had a specific claim on a revindication should come in there and then the secured creditor should come on the floating charge claim. The view of the committee was that specific creditors who have specific charges like a first mortgage on a building or a lien on a specific piece of equipment ought to be able to take back their equipment or their building because they own it. Those who had floating charges against accounts receivable and unencumbered assets and stock in trade, the floating charge stuff that is secured by these floating security agreements, those agreements ought to be subject to these priorities.

That is really all we are talking about. The question really is: Is this question of looking after employees to be a social claim or a matter of social justice or something of this nature that perhaps the government ought to be involved in? Should we have the government creating a new social right? If your employer will not pay you, then you call upon the government in prayer and say: "Dear government, pay me". Is this the kind of social policy we ought to have?

This bill is a bill with a wage protection fund and is a social policy bill. Let us get is straight. It is a social policy bill. It says if you do not get paid, go to the government and get it. Do not get it out of the assets of the business. Go to the government and get the money. Is that the thing we really want? Do we really want to have further claims on the government? Is this the kind of social priority we want in social priority spending or would we rather have it in day care or in something else? Is this the social priority we should be setting up?

I suggest it is not. What do we do? We call it a wage protection fund. We say it is collected on the UIC, it is only collected from employers and it is only 10 cents a week and it is only a little bit. It reminds me of the baloney, it is a little bit now and a nice slice now. Bit by bit by bit, we make sure that Canada is unproductive.

What was this production yesterday about competition, competitiveness and prosperity? What was this all about? All about taxes on businesses. Only a dime a week, a dime a week, a dime a week. How many of us remember what the original contributions to Canada Pension were? How many of us remember what the original contributions to the unemployment insurance fund were? Does a dime a week not sound pretty easy? Maybe it was a little more.

I guess if we really think it is a social priority, if we really think social policy then this is a prime social policy and we should have a fund. What kind of a social policy is this bill? This is a social policy that only looks after some, not everyone, just some. Who are the some? They are the people who work for the companies, where there are enough assets in the till to hire a trustee or receiver. When we ask what these fellows earn it is sort of indicated that you could not get a receiver for less than $10,000 guarantee. So you had to have an asset or an estate of an insolvent person that was worth a few dollars in order to get a receiver or trustee appointed in the first place.

We are going to have social policy to look after the workers of insolvent estates where there is enough money in the estate that the bank or the person who has the security is prepared to pony up enough money up front to guarantee the trustee. Those are the very estates that there is enough money in to look after wages in almost every case, in almost every case. But these are the estates of bankrupts or insolvent people who are going to make sure that the creditor does not get hurt, that the state takes it up, that a fund takes it up, and who contributes to the fund? The little guy in business, who runs a business that when it gets into trouble does not have enough in assets to guarantee a trustee or a receiver $10,000.

• (1650)

What happens? Nobody puts it in bankruptcy, nobody puts in a receiver, and his employees, they get nothing. Over half the people who lose their wages as a result of an insolvency get zip. Here we have a tax that applies across the whole community. That is why it is only a dime a person. It applies across the whole community. That is all. It applies across the whole community but only people who work for employers where there is enough in the insolvency to cover the cost of a trustee can make a claim.

If we sat back and said "well, the premium ought to be against those people whose employees would likely be able to claim", in other words big firms, I suspect you would find the premium not a dime but maybe more like a dollar a week, plus, plus, plus. So we have a peculiar situation.

The Colter commission was made up of people who were professionals in the bankruptcy business. Who were their clients? Usually big secured creditors: banks, trust companies, RoyNat, these people. Of course they would like this because it is easy to administer an estate if you do not have to worry about these nagging employees asking: "Where is my money?" You just say: "Well, go see the government and you will get paid". Of course it is good for them, of course it is good for them.

However, the issue is: Is this good social policy? Is this the kind of social justice this country should have? Is this the kind of industrial legislation we should have? Is this the way we ought to be going?

I say to this House: no, it is a time when the minister and this House paid attention to its committees. They went back on this legislation and redesigned it.

There are ways. The minister knows there are ways to recognize unemployment earlier than the day a person applies at the UIC office. Yes, you can anti-date claims. Yes you could do something, but surely not this way. Surely, this bill must not pass in its present form.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I would like to get back to a few things my hon. friend raised during his speech.

I appreciate the fact that he mentioned the committee looked at a few things like creditors in their takeover of assets, which he mentioned as a first point; the reorganization process; the revindication of goods; and the fact that we have reduced the Crown's priority. We have reduced it by a certain amount, all the money that is due to the Crown and not the money raised by the employers in trust, if I may. The deductions will stay there.

I have a question for the hon. member. This approach of super priority is very attractive. I discussed that with

my hon. friend from Dartmouth and my hon. friend from Nickel Belt. We looked at this in depth.

As my parliamentary secretary said, only one group before the committee that said they were in favour of the super priority. It was Mr. Bulloch's group. All the others were opposed; not only the Colter report but the Canadian Labour Congress and the Canadian Manufacturers' Association. It was not only a single position.

My question is very simple. When we are looking at the assets it is not that easy.

[*Translation*]

I would just like to look at one point. I have not been able to find an answer to that question because it renders this question of super priority inapplicable. The assets of a business bankrupt may include one, two, three or four buildings, accounts receivable, a deed of trust that covers some other goods, inventories, bank accounts and collateral. It is quite complex.

How would we split this up if super priority applied? How are we going to decide the share that would be owed to all those creditors if, in a business that employs 100 people, super priority took $200,000? In this case, Mr. Speaker, and that is an important issue, each business that would seek financing from the bank would be confronted with a banker who would take that into account, if he did not know whether the amount he will have to give for super priority to these employees will be taken from his building, the second mortgage, the first mortgage on the other building, accounts receivable or inventory. It is totally impractical.

In fact, this super priority already exists, following the amendments made in 1987 to the Department of National Revenue Act, but it is not being used because it is unworkable at the present time. The Department of National Revenue only uses the deemed trust and enhanced garnishment to recover funds from the accounts receivable.

So, I consider this inapplicable and I ask my colleague to explain briefly how we could possibly use a formula that is in itself unworkable. Imagine the number of lawsuits that the various creditors could bring against each other; it would take months, even years before an individual would be able to see the colour of his money.

Mr. Speaker, the fund that we propose, which will cost 10 cents per employee, will enable people to recover their money in about a month or five weeks.

[*English*]

Mr. Blenkarn: Mr. Speaker, I want to thank the minister for his question. It is a very important question.

The issue is really what secured creditors would pay the super priority. When there are specific charges, for example a mortgage on real estate, a mortgage or a conditional sales contract on piece of machinery or a specific assignment of a specific receivable, clearly those specific assignments or specific agreements come first and are not subject to any priority, because the person who has those specific agreements has the right above the receiver or above the trustee in bankruptcy in the same manner as a landlord exercising his landlord's lien has a claim above the trustee or receiver.

The issue on which you claim here then is the floating charge type, unassigned or unspecifically assigned assets.

• (1700)

Since the last Bankruptcy Act, banks and other lenders to companies have found that they can register in Canada, though not in the United States. They can register floating charge security. Without getting any specific lien on any specific asset they claim a lien on all the stuff in the estate of the insolvent company or person that has not been specifically attached.

It is those assets that before those classes of security were available, and that class of security I want to again point out to the minister is not available generally in the United States where banks lend money, that are used as funds to attach. That is the very fund that the Government of Canada attaches, as the minister pointed out, when it goes after money it claims to be held in trust for unremitted income tax deductions and the like. The government says: "Well, you have not specifically assigned those receivables so we will seize the receivables, we will in a sense use the income tax garnishee putting us ahead of the receiver with respect to those receivables and get the money for us".

It is exactly that situation that we are dealing with here. We are dealing with this particular group of assets that are not specific assets, not specifically pledged, and not subject to landlord liens or anything. I guess they are subject to landlords' liens but usually the landlord is paid off because he gets his three months rent and that is the

end of it. Those are what we are talking about and that is the kind of thing that is the subject of any claim for priority. That is what ought to be used. That fund ought to be used to pay the wages. It should be used for wages first and if it cannot satisfy wages then that is the way it is. Wages should be first before paying off shareholders who happen to have debentures registered, or banks or lenders that happen to have floating securities on top of specific securities.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I listened very carefully to the speech by the hon. member for Mississauga South. It makes a lot of sense. That was the kind of atmosphere in which we discussed this bill in pre-study.

The member mentioned what the issues were. He mentioned a lot of issues. I want to ask him if he thinks that this is the time, given the state of the economy of the country, that any government should be introducing another tax on small and medium-sized businesses. We are talking about having to raise the unemployment insurance premiums in January so we can balance that account by $5 billion. Is this the time that we should be imposing another tax on small and medium-sized businesses in this country? Is it not a real fear that it will start at 10 cents but before you know it will be up to $5 a week per person.

Mr. Blenkarn: Mr. Speaker, I always have difficulty with a tax of any kind. What really sends shock waves up my spine is the specific provision in this act that calls it the imposition of a tax.

I think Canadians are fed up to their teeth with taxes right now. Our economy is certainly not strong in the sense that people feel good about things. The government says to employers: "Well, here is another levy, it is just a small levy, it is only another dime". It is not just another dime. Not only that, but it is a dime from a whole lot of people who are not going to collect or cannot collect or their employees cannot collect. Somewhere along the line government has to avoid that. My friend will remember that the Canadian Chamber of Commerce apparently thinks this wage protection fund is a great idea except it does not want to have any tax. It believes it ought to come out of the Consolidated Revenue Fund. The Canadian Chamber of Commerce, with Mr. Reid in charge, apparently thinks that out behind this place is a big orchard and any time you need some extra money you go out there and shake the tree again.

Members are starting to understand that there is not an unlimited capacity for business people or workers or anybody else to pay taxes. It is about time that we in this House started realizing that and we started priorizing our claims against the state. I am suggesting to this House that this particular wage protection fund is not a priority claim against the estate of Canada, the claim should be against the estate of insolvent companies.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I wonder if the hon. member for Mississauga South is fully aware of the fact that the minister has seen fit to favour 15 of the 21 recommendations of the pre-study and whether he recognizes that this indeed is not a social policy and not a new social right.

The employers under this bill would pay into a fund. This would not be the government's money but the employees' money owed to them by their employers. Does the hon. member recognize that fact?

Finally, does the hon. member not recognize that with the scheme contained in this bill workers would come first, that they would be paid much more expeditiously than under any super priority scheme? Under super priority they might get nothing or might wait for months for any payment to come to them. Under this scheme they would receive their money and receive it expeditiously. Does the hon. member recognize that?

Mr. Blenkarn: Mr. Speaker, I want to thank the parliamentary secretary for his question.

Clearly some workers will get their money. The parliamentary secretary ought to realize that only some workers will get their money. Those employees of a small business for which a trustee has not been hired or a receiver has not been employed will get nothing. Yet every small businessman in this country will pay, every hospital board will pay, every municipality will pay, and this federal government will pay. Why will it pay? It will pay a tax to a fund to protect workers or possibly to protect banks.

Perhaps the act should not be called the wage protection fund but the bank and secured creditors protection fund.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Basically, Mr. Speaker, I agree with this bill, and I am somewhat reluctant to mention my experience as the owner of a small business for a number of years. Our problem was, we were doing the job for governments and unions. We had to collect income tax, unemployment insurance premiums, and so forth. People will say the premiums are not that high. In any case, I agree with the principle that employees must be protected when a company goes bankrupt. I always thought it was unfair when employees lost two or three or four weeks of pay after a bankruptcy, although they were supposed to be at the top of the list for any amounts released after a bankruptcy. I wonder, however, whether the government has considered a process or mechanism that would make it unnecessary to collect this new tax which would otherwise put just one more burden on small business.

• (1710)

An hon. member: It's unemployment insurance!

Mr. Leblanc (Longueuil): They say it's part of unemployment insurance. Perhaps the hon. member for Mississauga South would care to explain the procedure for collecting this new tax.

[*English*]

Mr. Blenkarn: The government's intention apparently is to collect from the employer at the same time as it collects unemployment insurance an additional .024 cents per $100 of wages per week. That is said to come to about 10 cents. Maybe it is more than 10 cents but it may average 10 cents. It is supposed to be paid with the unemployment insurance remittances every month.

The problem of course is that when it is received it goes into a separate fund. While it may not increase the paper burden on the employer it certainly will create more government jobs and more arrangements for the payment of the fund. In other words a fairly extensive bureaucracy is required to look after the receipt of moneys that are paid out of the fund.

The real issue is whether that payment should be made by all employers or only some employers or only those employers which have operations large enough to have the advantage of a receiver or a trustee if they were wound up.

Bearing in mind the fact that the cost of bankruptcy is so enormous and the cost of a receiver is quite substantial surely small business employers ought not to be included in this fund and surely hospitals and so on ought not to be included.

The issue is another fund. I want to assure the member that this is not an additional necessary burden of bureaucracy on the employer but certainly does add to the amount he pays and therefore is a tax on him. It adds to red tape in the government and the cost of paying out funds and administering it.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would first of all like to compliment the Minister of Consumer and Corporate Affairs for the work he has done in presenting this bill and the tone he has presented during this debate over the last couple of days. It has been great that he has accepted 18 of the 22 amendments. It shows a willingness to work. It shows a willingness to listen. If we can just continue that tone for a little longer I think we can come up with a piece of legislation that will go a long way toward improving the productivity of this nation.

Yesterday in the House the Minister for International Trade released his paper on prosperity through competitiveness. Shortly into his speech on productivity he said the following: "Productivity is the heart of the issue and is essential to our prosperity. It supports our way of life. It puts food on our tables, schools and hospitals in our communities, roads across our great community, pay cheques in our pockets. That is why we are here today. We must find a way as a nation to improve our productivity. We must change the way we think, the way we work and the way we work together as a country and as a people".

I think that the member for Mississauga South was touching on something earlier today when he said: "Really this bill today is a bill about shifting our priorities".

If the Minister of Consumer and Corporate Affairs could figure out a way to put the wage earner in a protected position in this bill, then he would go a long way in improving the productivity of this nation.

As this minister and all of us in this House know, right now we have a crisis of confidence in this country. We do have a productivity problem. Not only do we have two million people without jobs, but we have many people

with jobs who are nervous, wondering whether or not the companies they are working for are going to survive the next six, eight, ten months.

One of the things that is essential to the survival of a company is the productivity of the work force. It is the human capital. The banker does not really decide whether a company ultimately stays or dies. It can go a long way in that direction, but the most important thing is to have a galvanized work force, a work force that does not need to look over its shoulder, a work force that does not have to worry that: "My goodness, the next payroll. My cheque may not be there. If my company does not make it, I am out of pocket. I am stuck."

The minister should listen to the member for Mississauga South who has shown a lot of courage here today by giving constructive advice to his colleagues in government and he is saying: "Let us shift our priorities. Let us take that leap of faith".

I think that if the minister were to put a super priority on the labour force of this nation, that would go a long way in giving credibility to the paper that the Minister for International Trade released in this House yesterday.

You see, Mr. Minister, the problem that we have in this country right now is the trust factor. Very few people trust this productivity paper process. They think it is a bit of a public relations sham.

You are sitting in the House today. You have a bill that can affect the productivity of this nation probably more than most people realize. If you take that leap of faith and put the labour force of this country in a protected position, you will probably minimize the number of bankruptcies in the next few years.

I give you credit for cleaning up a piece of legislation that is 42 years old. You are three-quarters of the way there, but you have to address this point. Quite frankly, I think if you do not listen to my colleague from Halifax—Dartmouth who so succinctly presented the case for the work force of this nation yesterday as well as the member for Mississauga South, if you ignore that, then you are going to make the words of the Minister for International Trade yesterday in this House vulnerable. It is going to show that you are really not committed to innovation, you are really not committed to shifting your priorities.

If there was ever a time in this country to take a leap of faith in the work force of this nation, it is today. I think you have a very special, a very unique opportunity.

The second point that I want to address in this legislation is the tax. It is not the 10 cents *per se* or 10 cents per week per every employee on every pay cheque. It is the principle that you are opening up another tax, and it is the paper burden that goes with it.

There is a third point. I do not like the psychology of this, that every week you are as an employer, reminding yourself about this bankruptcy legislation. That 10 cent a week payment has a negative psychological effect. There is enough negative press in this country. There is enough bad news in this country. You do not need to be reminded every time you fill out a payroll that you are insuring against bankruptcy. That is a factor we have never discussed.

• (1720)

It seems to me that we are too concerned about the banking community in this country. It is time to slow down our thinking when it comes to the banking community's agenda. I do not think there is any one of us in this House over the last 18 months, whether it be friends or constituents who have not experienced a relationship with the banks.

As a medium-sized businessman who has talked to many other businessmen, the banks always have their position protected. Find me a bank today in this country that has taken some kind of leap of faith on a consistent basis. I am not suggesting that there are not bank managers who are not fair. But there is a banking policy, mostly presented to the branches coast to coast to coast which dictates that they want every nickel of their investment covered. They want every nickel of their loan covered. They want it guaranteed with homes. They want it guaranteed with insurance policies. They want triple security.

I do not think we should be letting the banking agenda of this country get another form of security. We should let the work force of this country control a little bit of the agenda and put the banks into a secondary position.

I do not believe that in any way, shape or form that there will be a credit crunch. The minister will know that three weeks ago we debated the reorganization of the Bank Act. One of the amendments to the Bank Act that was put forward was the new appeals system to the Superintendent of Financial Institutions, whereby a client of a bank who does not feel he is being treated fairly, whether it is a small business or even a personal loan, could report that unfairness to the Superintendent of Financial Institutions. That is a pretty serious amendment to the Bank Act.

If a bank's actions do not hold up with its customer, it will then be part of the annual report which will be tabled in this Parliament. I cannot imagine a bank in Canada that would not be sensitive to that kind of bad publicity. In other words, it will be the first time that banks are going to be sensitized to the fact that if they do not treat their customers fairly, they are going to be exposed by the Superintendent of Financial Institutions. Therefore, I do not think we should really worry about a financial crunch.

It goes back to the point the member for Mississauga South made, that this is a bill about shifting our priorities. Our priorities, in my humble opinion, should first of all be to make sure that the payrolls, the workers are covered, God forbid, when bankruptcy happens.

The second position, of course, is to make sure that certain suppliers that have put goods into a company within a 30 day period of a bankruptcy proceeding, their goods are protected. I believe that is a good amendment. The government has accepted that and I applaud it. It will encourage suppliers which are working on fine lines, with just in time delivery type corporations, retailers, et cetera, that will encourage them not to withhold the shipment of goods because they basically know that as long as they are within the 30 day period their asset is protected under this new act. I think that is a solid amendment.

I want to go back to the fact that this country does not need any more taxes. It does not matter whether it is 10 cents a week per person, it is a tax. It is a bad symbol, it is a disincentive to productivity, it is a disincentive to the creativity that is needed to get the productivity of this country going and it sends out a bad signal.

I urge the minister to reconsider his position before we come back for third reading. I would ask him to show some faith in the work force of this country. He can show that faith by shifting the priority of protection from banks to the work force.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I am touched by my colleague's kind words. I knew that the bad news would follow, but I nevertheless thank him for congratulating me. Mr. Speaker, I would like the hon. member to clarify a number of comments that he made. I believe that with my colleagues, the New Democratic Party critics, the member for Nickel Belt, and the member for Dartmouth, we have worked very closely, precisely to try to find a solution to that issue.

It is never pleasant to propose a situation that takes money from employers. Incidentally, the recommendation that we made was suggested by the hon. member for Burnaby—Kingsway who, in the debate in 1984, suggested exactly what the member for Nickel Belt is now suggesting that we go back to. The important thing though is that you have gone back to the position expressed by the hon. member for Mississauga, and I would like to know if you share the idea of a super priority that your party seems to have proposed.. It is an interesting idea at first glance, but do you also agree that it should apply strictly to accounts receivable or to assets that are not already subject to a lien, like security on some equipment, a vehicle or a building? If so, it would considerably limit the assets available.

I must inform the hon. member for Broadview—Greenwood that this right already exists for the Crown, the Department of Revenue and right now we can only recover about 60 per cent of the amounts owed to the government. If we were to replace the "super priority" that already exists for the Department of Revenue, we would of course have to say: "Move over; we are now establishing a new super priority for salaries." I would like my colleague to tell me how and where we would get the money, because if you change four quarters for a dollar, it is tantamount to giving with one hand and taking it back with the other, and the total amount will still not be covered.

I would also like the hon. member to elaborate on the fact, as he would admit—that many new businesses are in the service sector. Therefore, these businesses have no buildings; they have practically no valuable items. They usually only have a rented computer, a desk and two or three chairs. So, when these businesses go bankrupt, they have practically no goods. In that context, I would like my colleague to tell me how we could this money which, at the present time, is not in the hands of those businesses. The idea is commendable, but it is very important that we be able to give the money to workers who are waiting for their salaries. I would be grateful if you could clarify these points and tell me if you agree with the hon. member for Mississauga on that issue.

• (1730)

[*English*]

Mr. Mills: Mr. Speaker, I do not think the minister was listening to the point the hon. member for Mississauga South was making. We are talking about a shifting of priorities. We are talking about showing faith in the work force of this country. We must remember that we are only talking about one payroll here. We are not talking about the fact that a payroll keeps going on and on and on. We are talking about wage protection.

I say unequivocally that all other suppliers including the Crown now move into a secondary position. The minister has to remember that if he puts these people out of work they are going to be on unemployment insurance, which is a draw on the Crown.

If you lose your job tomorrow and you go on unemployment insurance, where does the money come from? Why not reverse your approach and take a chance on the work force of this country, because I think in the end that will lead to productivity which might minimize the number of bankruptcies in this country. That is the whole point.

This government does not understand that to motivate a work force you have to show some fairness. You have to send out some signals of fairness. This bill, on that specific point, does not show that. The Minister for International Trade came into the House yesterday and talked about productivity, about going across the country and listening to what people would say about what will make us productive.

We have listened to our constituents. We have been listening to people and I know the minister has too. They say they want fairness in the tax system and this bill flies in the face of what the people are asking for: "Show some good will toward us, show some faith toward us", and that is the point. In order to get to that point, they are going to have to put the banks and the Crown behind the payroll.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I listened to the hon. member for Broadview—Greenwood's speech. He is always very impressive and I am always very supportive of the things he says.

We have heard that this is a tax or a levy on businesses, but I want the hon. member to comment on the fact that this is not just a levy on businesses because school boards are going to pay it, hospital associations are going to pay it and municipalities are going to pay it. Where do municipalities, school boards and hospital associations get their money from? They get it from ordinary ratepayers.

I want the hon. member to comment on that because it is more than just a tax on employers that are a great big corporation, a small corporation or a medium size corporation. They are we the people, taxes on the people. They are really taxing people and I would like some comments on that.

Mr. Mills: Mr. Speaker, I have wondered why the government was putting this tax on hospitals. There is only one thing that concerns me about this tax on hospitals. This government has been dismantling national institutions for the last seven years. There are many people who believe that the next national institution that is about to be dismantled is our national medicare system.

God forbid that this is sort of the advance party of privatization of the hospital system in this country. If we are to maintain our national medical system—and I will not even get in to the schools; let us just talk hospitals—this 10 cents a week on a hospital employee does not make any sense. The only way this would make any sense is if there were some intention of this government to get into the game of privatization of hospitals. There are many in this country who think that is their next step.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, it is a pleasure to stand here today and speak for some period of time on the bill before us, the Bankruptcy Act, and the wage payment act. I do it with

some feeling that there are accomplishments being made.

When we look at the act, originally it was an act that was passed in 1949. The act at that time took into consideration what was occurring coming out of the post-war years and thereafter. The wage payments were a maximum of $500 and these payments were based on the cost of living at that time.

We certainly know in looking at the cost of living index since 1949 and the upgrade that they used to do every 10 years in revamping the scale how things have changed in that period of time. In my own personal experience, I think about when I was 15 years old fighting fires for 75 cents an hour. The first job I had in a sawmill I remember getting paid $1.75 an hour. I left to work in a smelter and made $1.79 an hour. This was in the mid-1960s. I moved on to a high paying job in the pulp industry at $2.05 an hour.

You know the differences now. The mill workers now get paid $18 to $22 an hour. The smelter workers are slightly behind that but getting paid similar wages. That puts into perspective the type of wage that we were looking at in 1949 as opposed to the wages now in 1991. I think the member for Nickel Belt gave some examples recently where he pointed out the broad variance in that $500 to now.

The present bill looks specifically at the amount of wages that should be topped up. It sets that limit at $2,000. In terms of 1949 dollars my friend has pointed out it falls far short. I believe the figures he came up with were something in the area of $5,000 to $6,000 would be more in line with the dollar from the 1949 area.

We see right off the bat that although this bill has looked at the wage payment, the upper limit that they have set under this bill leaves something to be desired. The bill over all with some exceptions, as pointed out by other speakers, is a bill that is needed and has been needed for some period of time. It has been pointed out throughout the course of this debate that there have been many attempts—I think there were seven attempts since 1974—to amend the Bankruptcy Act.

This minister has taken the bull by the horns this time around and brought in a bill that with slight modification can probably work this time around. I think the member for Nickel Belt, the member for Dartmouth and the member for Mississauga South have pointed out very compellingly why the minister should listen to these changes. I believe it was the member for Calgary Southwest who talked about the reasons why super priority cannot work. It cannot work I say from the perspective of someone who has been in the labour force and has worked for the Department of Labour in employment standards. I have worked specifically on legislation dealing with payment of wages and lost wages and come up against bills such as the Bankruptcy Act, priorities and super priorities such as the priority of the federal Crown. I have also for 15 years been a member of the bar, a lawyer, and dealt with companies who are setting up, who have gone into receivership, who have been sent into receivership by the banks, and walkaways, as explained by the member for Mississauga South who have been unable to come up with sufficient assets to interest the trustee.

• (1740)

I think the member points out properly that in itself the trustees have a super priority or perhaps I should say they have a super sweet super priority. They do not go in unless they know there is money and under the act the trustee takes his or her money right off the top before secured creditors before the Crown creditors, the priority creditors, or before the unsecured creditors. Right up at the top, our super sweet super priority people, the trustees, get their money.

Yet under this bill I believe that one of the major flaws from my perspective and from that of my critic area, small business, is one that this minister should reconsider, super priority for wages.

I was a researcher for the provincial Department of Labour back in the 1970s for six or seven months in British Columbia. We constantly looked at ways of getting employees their wages.

We see the hardship that it causes and back then, almost 20 years ago, it was not uncommon to see wages owing well in excess of $2,000. Often when a company got into problems, one of the first thing it seemed to do was miss the payment deadline.

Often many of the employees were true to their company and had worked there for a number of years. Because of the employee-employer relationship, the loyalty that they felt toward their employer, they would use their savings over a week, two weeks, three week

period of time with the assurance from the employer that everything would be fine. It was a temporary rough period, but once the finances were in order everything would be okay and the employees would be paid.

Now with the wage change differences, those wages add up, and they add up rather rapidly. If you look at just the wage alone it does not take very much to get up over the $2,000 level when you are earning $500 or $800 a week and you have set back your wages over that period of time.

The employee, the average worker, cannot afford to give up that type of money.

I look at this particular proposal that the minister has put forward. On the top of it, 10 cents a week an employee does not seem to be that much of a hardship. But talk to the small business community, not just the Canadian Federation of Independent Business. I had letters from Saskatoon—Clark's Crossing riding, some from my own riding, some from the maritimes, pointing out some of the problems that small business is having in this country and making a go of it. Certainly the minister has looked at the bankruptcy figures over the last year and a half. One of the government members has pointed out that things have improved over last year. It is an improvement over complete decimation of a small business community and although it is somewhat encouraging, we do not have a solid small business community. It does not point to that.

It points to major problems within the business community. Business people tell us, and have told me with some emphasis, that they are being taxed to death. The increase in UI was one of the nails in the coffin of small business.

The GST, in spite of what the Minister of National Revenue has told us, is not only hurting small business. Over the summer I spoke to presidents and board members of some major corporations within my riding. It is hurting them.

The monetary and fiscal policies of this government, the high interest rates and the high dollar rate are all hurting small business. Add, on top of fuel taxes et cetera, a further levy under this plan of the minister and it simply starts to add up to the point where it becomes the straw that breaks the proverbial camel's back.

Small business cannot take any more. It has looked hard for ways around it. It seems to me that the way out is a super priority. The Government of Ontario has set up a fund. It has looked at what it would cost and set up a fund of $175 million as a seed.

There is a proposal that this would bring in something like $61 million as the seed of the fund. The member for Mississauga South and the member for Nickel Belt have pointed out the problems that we have with the employees of the walkaways who do not have the money to go into bankruptcy or receivership.

The employees are hurt. We have a situation where if the government would examine core funding for a program it seems to me that it would protect the employees of the walkaways. It would protect those within the system so that as employees were placed out of work with moneys owing they could take money out of the fund immediately so that their families are not put into hardship. Their rights would then be subrogated to the federal government or the superintendent of bankruptcies, whoever administered the fund.

Through the subrogation their rights would then take priority over everybody including, and I walk on very thin ice here, the trustee in bankruptcy. The wages of the employees who have kept their employers going should have priority over all other creditors, whether they be preferred, secured or Crown creditors. Employees should come first.

I cannot emphasize enough that it is simply not good enough to say that employees will not have priority. That is something that should be looked at. It is something that should be looked at hard and fast. The rule as set out here simply sets up a fund that will be funded by an already overtaxed small business and business community. That is not good enough.

We must have a commitment from this government that the employees will be looked after in a manner that assures that they will be paid immediately and that the setting up of a fund for that payment will not hurt the business community by imposing further taxation.

We have heard today about the start of these taxes. In the First World War the federal income tax first came in as a temporary measure. Now look at the income taxes we have. Essentially the manufacturers' sales tax first came in as a temporary measure.

By the time it was done away with it was up to 13.5 per cent. It rose from 9 per cent to 13.5 per cent under this government since 1984, arguably from 8 per cent as the 1 per cent increase that had already been legislated was implemented under this government in 1984.

It is very clear that taxes increase as people see needs increasing. The examples have been given. We have just seen another major increase in unemployment insurance premiums for both employees and employers. Canada Pension Plan has been increased and will continue to increase as the government sees that more money is needed, as more and more people in Canada need it because they are 65 years of age.

• (1750)

Things have a way of growing like Topsy. They start small. Once the foot is in the door there is a tendency to push that door open and barge through with bigger and bigger taxes on those who can least afford it.

I believe the future of our country is in the area of small and medium-sized businesses. We should be giving these communities a hand up instead of pushing them down and giving them a kick further down the step to oblivion.

This is the government's next step to push down the small business community. The minister points out that it is a very small amount. However those small amounts have a tendency to grow, as they have in the past and as they will in the future. We have to look at that end of it.

Let us look at some of the other issues about this bill. I would like to talk about the retroactivity aspect of it, while we wait for this bill. We do not want to hold the bill up unnecessarily but we do want to protect the wage earners, we do want to protect the business community. There is no consideration in this bill for retroactivity. If the bill kicks in it kicks in at the time of proclamation. That is a concern that could be built into the bill. The provisions of this bill could be made retroactive to at least the date of the tabling of the original bill to give some protection through that period of time.

A positive section of this bill is that of reorganization. It is positive because it is a section that has been long required. All of us in law and business have run into situations where our clients, our business community or people in our business community have been put down and out as a result of the banks simply pulling the carpet for one reason or another, whether it be a political reason or something else.

For example during the early 1980 recession a fairly well-to-do and active business person in one of my communities was doing some fairly high risk investing. He was investing well and creating employment within the community. The banks got a little edgy and pulled the carpet. Luckily this gentleman had built up sufficient assets over the years and was able to come up with purchasers of some of his assets so he was able to bail himself out. Had he not been more careful in the past, as a result of learning through experience dealing with banks, we in our communities in the Okanagan would have lost a valuable member of the business community who to this day is continuing to develop condominiums and build buildings. He sees where the need is and steps in because he has the background. They would have done him in at that time.

The provision for reorganization opens up the gate for a few other people to to get into the system.

Over all the bill is one that we would like to support. However we see the necessity for some of those changes and see the necessity for that change in priority. We see the necessity to ensure that there is something to save people from the walkaways.

Also there is a necessity for some change in the revindication provisions for those who supply and, under the present system, could get left out in the cold.

I would like to be able to support this bill in whole. I implore the minister to consider making those changes so that I and my party can support him and the bankruptcy bill that is so dearly needed for the future.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I appreciate the comments. Given that the member is a lawyer working in that area, as I have done over the years, we can appreciate how it works.

The member should maybe read the letter from the president of the Canadian Labour Congress as well. It may be interesting for him. He is not exactly in tune.

I realized something. The member talks about the walkaways. The committee in its pre-study addressed this point. We will all do our best to find a way. It is not only under federal jurisdiction therefore we have to be very careful. We all understood that, as far as I know.

We have addressed this concern, recommendation no. 3. It is acceptable and we are going to accept it.

He differs on where the super priority should be. The member for Mississauga mentioned that we should forget the secured creditors that already have a direct link with assets. He said the wage earners should come first, including secured creditors. I understand that. It is a major difference. We looked at the numbers.

We should mention that the super priority that the committee proposed and he agreed with includes not only super priority but a fund. As was said a few moments ago that will require a bureaucracy, red tape and so on. There will be another fund anyway, plus a super priority bureaucracy to look after it and put the system in place. It will be much worse than the 2 cents on the payroll. It is quite different.

He is the last but not the only one to have said that this 10 cents could grow after a few years, as the member for Nickel Belt mentioned. We should remember that we have an advisory board looking after the specific administration and monitoring it to ensure that the 10 cents fixed in the law will not change, unless we need to do that.

I must remind the hon. member that with super priority retroactivity is not practical. Even with the system we propose it is not possible. We cannot impose this small levy of 10 cents retroactively.

I would like to know how the member reconciles his proposal with the proposal of the member for Mississauga. They are not addressing the same assets.

• (1800)

Mr. Whittaker: Mr. Speaker, as I understand it, the member for Mississauga South was speaking about the proposal of the committee which said that the Superintendent of Bankruptcies would levy the fee from the assets that would go into the fund.

I was saying that the government should look at seeding a special fund. Perhaps it could be built up after but the core funding, the core seed, would be put up front now by the government. If it did that it seems to me that retroactivity could be built into the bill. The fund would be there under what I envision as the super priority and the subrogation of the rights of the employees. Once he is paid out of this fund the employee would subrogate his rights to the superintendent. The superintendent would then have that super priority under the legislation that I envision to get the money back in.

If we extended it over so that we ensured that the walkaways were free and clear, that they got their money, there would be a deficit within that fund of some part that perhaps could be made up in the way that the member for Mississauga South and the committee have spoken about. However, the key funding would already be in place by the government and I would suggest probably that $100 million would do the job to start with, from the figures that I have seen.

That is what I am talking about there. I am talking parallel to what the member for Mississauga South and the committee are saying. I am expanding it a little to work in subrogation of rights of the employees to ensure that they are paid immediately. They do not have to wait. With those rights taken over by the minister or the superintendent it is ensured that the fund continues into perpetuity. There are not many that go into receivership or bankruptcy which do not have some assets. If we give that super priority the banks will have a bit less but we will have worked in protection for the employees.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I am glad I finally got recognized to straighten out the record a bit.

The minister has just asked a question of my hon. colleague from Okanagan—Similkameen—Merritt. I do not want the record to be unclear about the work of the committee and it is a very important point.

There are some, including Shirley Carr of the Canadian Labour Congress, who perhaps have not read the document, certainly not the committee hearings, as closely as they should have. The committee was almost unanimous in its recommendation on super priority. We

addressed two things which are constantly coming up: certainty of payment and immediacy of payment.

We put a number of proposals forward, any of which would have worked. The one we came up with was one whereby the trustee in bankruptcy or the receiver would be encouraged or compelled by legislation after verification of wage claims to go and borrow against the assets of the bankrupt firm to ensure that there was immediacy and certainty of payment. In the event that the assets may not have been sufficient to cover the amount borrowed against the assets, the Superintendent of Bankruptcy, the superintendent's office, would guarantee any shortfall.

Everybody asks how that would be funded. What we said, Mr. Speaker, if you would just give me one more second, at that point was that he could either adjust his fees upward or, if necessary, if there was some small shortfall since the government under its proposal was prepared to put in $3.6 million, the government could at least have followed that.

I wanted to clear the record because my hon. colleague from Okanagan—Similkameen—Merritt is quite correct in the second scenario he put forward. It is one that we examined and it is one that the government should look at as well.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, I appreciate the opportunity to make certain comments with respect to the legislation before the House.

First I would like to compliment the Minister of Consumer and Corporate Affairs for bringing forth this legislation. I wish he would pay attention. I know he does not get that many compliments and I can see I am still not gaining his attention.

An hon. member: You have got him now.

Mr. Comuzzi: I just wanted to compliment him.

Mrs. Campbell (South West Nova): He is trying to convince his own people.

Mr. Comuzzi: I just wanted to compliment him on his courage to bring this legislation before the House. As we know bankruptcy law has been discussed many times before we got here. For some reason or other it has never failed to make the agenda.

More so I would like to compliment my colleague from Halifax—Dartmouth who has led our input into the changes and the considerations that we should be looking at with respect to bankruptcy law in Canada. I certainly thank him on behalf of all of us for the very fine effort he has put forward. As the member for one of the areas in Toronto said earlier, most of the recommendations we on this side of the House have asked for have been implemented in this legislation.

We are talking about legislation that changes the law of Canada affecting the affairs of individuals and the affairs of corporations that find themselves in economic difficulty or financial distress in Canada. I thought it might be important in my submissions or my intervention in the House to talk about this legislation first from a historical perspective, as to how we got here looking at our economic climate and, second, from perhaps a conceptual basis and explain to our friend why I think it falls short. I would like to give him particular examples on how the present legislation falls short with the protections that we should afford the workers of Canada. I do not think the legislation before this House is strong enough to protect those particular interests.

We cannot discuss this bill without considering it in some form of historical perspective, particularly in the context of our North American mercantile economy. There were some fundamental decisions made by those who governed us in the early years following Confederation and some fundamental decisions made by our friends in the United States with respect to the economic future of their country. It is obvious that those early decisions were instrumental in the formation of a mercantile climate as to how each country would function economically. They were fundamental decisions that were made to dictate how the internal economic policies of each country would operate. There were some fundamental decisions made with respect to trade, some fundamental decisions with respect to capital and availability of capital, and some fundamental decisions with respect to the mercantile economy, credit and credit availability.

It is obvious those decisions have been made and basically began the formation of our country. The early decisions on mercantile policy and mercantile economy led very obviously to the vast differences we find today between the United States and Canada, having both started basically at the same place.

We see today that our friends in the United States opted to develop a country which enhances the economic climate. Accordingly they passed all necessary legislation to enhance that economic climate and allow workers to be protected and businesses to flourish. What do we see

when we compare Canadian legislation today with respect to their uniform commercial code and other pieces of legislation such as their security interest legislation that was passed so many years ago and we have just started to use in the last 10 years in some of the provinces of this country? Given the fact that they chose to have an economy that was vibrant and tuned into the business climate, we see that there is a difference between the economy of the United States and the economy of Canada.

• (1810)

That brings us to the legislation that is before the House today. It is one of those fundamental laws we have that shows that our economy has failed to compete. Bankruptcy legislation truly focuses what the laws are and were and what we are just starting to do.

Let us be realistic. Any mercantile legislation has two aspects as you approach and study it and eventually pass it. It provides protection for those within the system and it is important in any piece of legislation that it can and should provide the opportunity to create a climate for business venture. As we know today in the global economy, it should provide a climate that promotes the Canadian economy on an international basis.

When you consider this legislation as an aside and you think about what has happened in this House in the three short years that we have been here and your mind goes back to the trade deal that we first passed in 1988 in the very first sitting of this House, the word that kept coming through was harmonization. The success of trade depends on the harmonization in the United States and Canada. I am sure we will hear this as the trade deal with Mexico starts to take shape, not that we agree with it, but as we progress toward that.

The success of trade depends on harmonization of standards between our two countries. I want to broaden that because I am of the opinion that harmonization includes standards and in other areas includes the mercantile laws of the two countries. This fact in the negotiating process of dealing with the United States on a trade deal has been obviously overlooked by the government of the day to our detriment. We can see today the effects of this tragic oversight of not being able to harmonize the laws of our country to compete and make the Canadian businesses as competitive as the American businesses. This has been one of the main factors why the trade deal is not working and why there is such a disparity in the amount of jobs that are being created.

Let me give an example of which I speak. It affects one of the very large industries in this country, it affects the airline industry in Canada. I am sure you will agree that the airline industry is not only fundamental to Canada's future, but it has been very important in the transportation policy of our country.

Some time ago, this government proposed an open skies policy for North America. In essence, the concept of open skies is that all of the airlines in the United States could fly into Canada and pick up passengers without the threat of cabotage. The two major airlines in Canada could fly into the United States and have a wide open competition for the U.S. market and for the Canadian market.

Through the transport committee at the time, we reviewed in great deal the concept of open skies and we travelled throughout Canada. We heard all kinds of submissions, brought it all back together and eventually submitted a report to the Minister of Transport for the House of Commons.

It was very interesting to note that on the very day that we submitted our report to the Minister of Transport on the open skies concept in Canada, Pan American Airlines in the United States filed for section 11 bankruptcy proceedings. This meant that airline, which was competing with Canadian airlines for Canadian traffic and for international traffic, filed for section 11 bankruptcy proceedings for unsecured credit and they put over $7 billion of unsecured credit aside so that it could be restructured and they could continue to operate. Pan American Airlines, from that day to today, has not missed a flight even though there is $7 billion of unsecured debt that is before the courts and in the process of being restructured.

During this same process, and staying with the airline industry, Eastern Airlines about two years prior to that had filed for section 11 bankruptcy protection. You know that at Ottawa airport, Eastern Airlines had a terminal and for two years competed with Canadian Airlines, Air Canada and other carriers. It also competed with Inter Air, the flight that was going between Toronto and Montreal and is no longer in business because it could not afford to pay its bills, as I understand it. I should check the authenticity of that statement as I do not wish to mislead. But I do not think Inter Air is in business any

longer. While we were competing in Canada, Eastern Airlines, under a section 11 bankruptcy proceeding, continued to compete in our Canadian markets while it was going through extensive debt restructuring.

Here we have two airlines based in the United States competing with Canadian airlines for the same markets. What does this mean with respect to our situation in Canada? How does the bankruptcy legislation affect our ability—and I get back to our mercantile position again—to compete *vis-à-vis* American competition, not only in airlines but in all other economic endeavours?

Under the present legislation what would happen if Air Canada or Canadian Airlines, our two major operating airlines, were not able to handle their unsecured debt, their unsecured creditors? I would doubt very much that those two airlines would be able to continue to exist on a competitive basis, or would continue to exist at all. We saw the competition in the United States under Eastern, which has finally closed three years after the fact, and what Pan Am is going through. That shows fairly clearly that a mercantile law passed by one country compared to a mercantile law and bankruptcy law in Canada failed to make Canadian corporations as competitive as the American corporations. I say harmonization should include the mercantile laws of both countries.

With that bit of historical perspective and some of the facts that have led us up to the legislation that is before us, we have now tried to harmonize the bankruptcy laws in Canada and the United States. Unfortunately, what we have before us is a piece of legislation that closely copies or parrots the legislation of the United States. I feel badly about that because certainly we in Canada can let our vision expand and say "here is what has been effective in other countries in the world with respect to this type of legislation, and how can we become better in Canada to make us more competitive and to protect our workers within our own country?"

We must understand that there are differences in our economies, differences in our sizes and differences in our lending institutions. Our lending institutions are more secure in Canada today than those in other countries of the world. The fact that our economy may be more important is resource based. We can be more effective and develop a more progressive piece of legislation that would benefit not only our economic position within Canada, our economic position outside of Canada, but would provide a degree of safety for all of our workers who work within any business in Canada. We see on a constant basis that they are being hard done by when companies fail to respond to the burdens that are placed on them in a financial way.

When we discuss commercial competitiveness today I don't think we can look at bankruptcy legislation again in isolation. When this present legislation was brought into force what we see is the advent and the copying, as I said, from the uniform commercial code in the United States. It is what we call today and what we, those who practised some law before we came to this House, term the security interest and the personal property security law that has been adopted within the last eight or ten years in Ontario and other provinces in the country.

• (1820)

We all know, Mr. Speaker, that when we start talking about personal property security or corporate security that it is the priority of the registration, the performance of the registration, the perfection of the registration and the registration itself. There was a phrase that was coined in our school, that when it comes to security legislation, the race goes to the swiftest.

We are faced with a dilemma. Prior to this legislation being operative in Canada, we were not faced with these security interests that cause us to have some concern with respect to the protection. However, we are trying to correct them.

Coupled with this security interest legislation, we can never discuss bankruptcy legislation without talking about the security that the chartered banks have available to them. I forget what the section is, but I think sections 142 and 144 of the Bank Act allow banks to take a security interest in all of the chattels of the business and all the merchandise that might come in as raw material. It can follow the progress of that material. The security interest applies as that material flows through to its final product and might follow right through until the final sale of the product to an individual. So that extended security interest is available to certain banks in the country which finance corporations.

The security interests that I talk about, the personal security interests and the bank security interests, play a vital role in any bankruptcy proceedings. That is what I want to spend a few minutes on, Mr. Speaker, if I can.

Let me close by saying that the security interests that we have in the sale of a Crown corporation to a company called Route Canada Incorporated should teach us all a lesson in this House as to how employees in different small industries throughout Canada become affected because we do not have the proper legislation in place to protect smaller businesses or the workers.

We all know, Mr. Speaker, that a Crown corporation was sold to a company called Route Canada Incorporated. Because of the ability of corporations today to bulletproof or boilerplate themselves, all of the assets of that corporation that went to Route Canada Incorporated were boilerplated. The assets went into other companies and were taken for the benefit of those who held a security interest in the real estate and the rolling assets. What we had left, Mr. Speaker, in Route Canada Incorporated was a shell corporation. There were no assets of the company but only the accounts receivable. It was a shell corporation that operated with hundreds of millions of dollars in sales and when it went down the tube 16 months later there were only two sections of this country that were hurt. The banks were not hurt. The Royal Trust Company was not hurt because it mortgaged the property. It had its own security interests in place. There were only two groups in this country which were hurt; the workers and the small businesses that supplied goods and services to Route Canada Incorporated. Many of those, I am told now, Mr. Speaker, have gone bankrupt because of the failure of Route Canada Incorporated.

Let me emphasize what has happened to the workers. It is a good point on which to end my submission to the House, Mr. Speaker.

What has happened to the workers is not only what this legislation calls for with respect to the wages that are earned on a weekly or bi-weekly or a monthly basis, it includes holiday pay, it includes benefit packages for which they have had to barter, it includes termination pay and it includes pension plans. This legislation falls short of protecting the benefits for which the workers in this country have bargained. Employees who have worked for a company for 25, 35 or 40 years will lose their benefits unless bankruptcy legislation protects those interests.

I thank you, Mr. Speaker, for allowing me to go this far. I suggest to the government that it strengthen the legislation in this area to protect the workers of this country so we will never have another Route Canada fiasco.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Glengarry—Prescott—Russell.

ROUTINE PROCEEDINGS

[*English*]

HUMAN RIGHTS AND THE STATUS OF DISABLED PERSONS

AUTHORIZATION FOR STANDING COMMITTEE TO TRAVEL

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, if you were to seek unanimous consent, I think you would find it for the purpose of moving the following motion.

I move:

That the Standing Committee on Human Rights and the Status of Disabled persons and necessary staff, be authorized to travel to the Akwesasne Reserve on November 19, 1991, for the purpose of holding public hearings pursuant to Standing Order 108(3)(b)(ii).

That was the motion that was moved earlier today.

The Acting Speaker (Mr. DeBlois): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): 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.

VIDEOTAPING OF PUBLIC HEARINGS

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, if you were to seek unanimous consent you would find it for the approval of the following motion:

I move:

That the Standing Committee on Human Rights and the Status of Disabled Persons, be authorized to permit videotaping of its public hearings at the Akwesasne Reserve on November 19, 1991, pursuant to Standing Order 119(1).

The Acting Speaker (Mr. DeBlois): 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.

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Blais that Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations, and the amendment of Mr. Rodriguez.

The Acting Speaker (Mr. DeBlois): Questions and comments.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I appreciate your courtesy and I assure my friends opposite that I will be very brief with my one question.

I want to ask my hon. colleague for Thunder Bay—Nipigon one question relating to the Route Canada bankruptcy which he described so well.

Does the hon. member feel that the availability of super priority such as has been advocated by members of his party would have assisted the employees of Route Canada, and would he not agree that the wage protection plan as envisaged in Bill C-22 would do a far more expeditious job providing certainty of wage compensation to those employees?

Mr. Comuzzi: Mr. Speaker, I appreciate that question from my colleague. Yes, the legislation as it is presently written, would assist the former employees of Route Canada but only a little bit.

We are finding that the former employees of CNR who transferred to Route Canada Incorporated without benefit of the right to say if they wanted to go or not were assured that their contract rights with CNR would transfer to the new employer. Those contract rights, which included termination pay of one week's salary for every year worked, holiday pay, pension benefits, severance pay, and so on, were not compensated for in the bankruptcy. There were no assets left in Route Canada Incorporated to pay the employees what was rightfully due to them.

Super priority would have helped a little bit.

An hon. member: Yes it would help.

Mr. Comuzzi: What was happening with those Route Canada employees, former CNR employees, is that most of them are out $25,000, $35,000 and $40,000 because of the long term of service they gave CNR. That is what is owed to them under the terms of the employment contract from Canada Labour, plus the union contract that was negotiated. It is their right and it is what they are entitled to and it is what CNR in the sale to Route Canada has forbidden these employees to collect.

That is the inequity. That is the injustice. That is what I would hope this legislation would correct.

• (1830)

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to participate in this debate today on Bill C-22. First of all I want to congratulate the hon. member for Dartmouth who was the lead critic for our party and who, Mr. Speaker as you undoubtedly will remember from his remarks yesterday, demonstrated tremendous knowledge in this area, knowledge that he has acquired of course through studying this bill very carefully.

The bill we are dealing with has gone through an unusual process, and I will admit it. This whole business of pre-study is a novel one. I think it has been most beneficial and I recommend it to the government for future bills. Mind you, Mr. Speaker, I hope that the government listens to more of the advice of members when it tries this again. Actually I hope the government

listens to the advice of members even at this late hour in those areas where it has already indicated that it was not favourably disposed to listen to the advice of the members.

I see the parliamentary secretary across the way. I do not believe he participated in all of our deliberations because I believe he was a parliamentary secretary to another minister at the time. He will know because of his conversation with other members of this House of the tremendous level of unanimity that was displayed in our proceedings. Members on all sides of the House got together and formed quite an extraordinary consensus on a piece of government legislation. I do hope the member has noted that, as I am sure he has.

One thing our committee was unanimous on was this whole business of increasing the amount of wage earner protection from $2,000 to $3,000. That is fine, but our committee recommended that the payroll tax scheme be abandoned—that scheme of course is part of the bill—and that it be replaced instead with a form of super priority whereby the wages of employees in the event of a bankruptcy or liquidation would have priority over virtually everything else.

I noted that the parliamentary secretary responded to a question from my hon. colleague from Thunder Bay—Nipigon by saying that in the case of Route Canada a super priority would not have helped the employees. I do not know if it would have helped them in all cases, but he has to remember how we proposed to go ahead with this scheme.

First of all, the scheme is kind of a two-step affair. What we proposed, at least as a committee doing the pre-study, was that there would be a super priority. The effect of that of course is first to remove this payroll burden on small and medium sized businesses, on all business and all employers actually. Second, there would be a fund to guard against any shortfall, that fund to be paid for by consolidated revenue. With the combination of these two obviously the employees of Route Canada would have been covered.

If the parliamentary secretary has read our recommendations carefully, he will recognize there are two components to that. The reason we want to have it that way is twofold. One is to cover the shortfalls and the second is to ensure expeditious payments to employees of companies that have gone under. In other words, you could go in and take funds out of this pool, pay the employees, liquidate the assets and replenish that fund afterward. I believe that is something the parliamentary secretary should realize. I think it is very important for all of us.

Let us look at who is against super priority. The Canadian Chamber of Commerce is against super priority. It is virtually against everything except abolishing social programs and stuff like that.

I have here a letter that was sent to the Minister of Consumer and Corporate Affairs dated October 11. It says in the second paragraph: "In particular, there is one recommendation to which we are totally opposed, namely the suggested method of super priority to fund a wage protection program". Interestingly enough this same group was also against the payroll deduction, which leads me to believe that it is against the protection for workers in any way, shape or form.

Who is the other group against this? The bankers. By coincidence these are the same bankers of course who were not that long ago against another provision of that bill, namely that of revindication of goods.

[*Translation*]

Bankers led us to believe, at least that is what they tried to do, Mr. Speaker, that, if a supplier could go and retrieve the goods supplied he has not been paid for, within 30 days of the bankruptcy, this would make the cost of the loan go up.

As you know, Mr. Speaker, as a member from Quebec, a similar provision already exists in the Quebec Civil Code. Members asked the bankers—and I was the first one to do so: "Must we conclude, therefore, that the interest rate on a commercial loan is higher in Quebec than elsewhere?" "No, they answered." The bankers were forced to admit that it was not the case. So, we asked them this: "If it is not higher in Quebec right now—in a jurisdiction where a similar, not absolutely identical, but similar provision exists to protect suppliers—why should we believe you when you say that this provision to authorize suppliers to go and retrieve goods would have such an effect elsewhere in the country?" Naturally, we dabbled for a couple more minutes, but we did not get an answer for the simple reason that there is none to give.

Therefore, Mr. Speaker, I am convinced that all bankers want is not to do anything that could increase the risk even marginally. It would seem that, in the event of a bankruptcy, it is alright for everyone else to loose anything, but that bankers can take absolutely no chance.

[*English*]

Let us compare what I have just said about bankers and the Chamber of Commerce that are against the super priority with the following letter that I have received. It reads:

> Dear Mr. Boudria:
>
> The Canadian Federation of Independent Business wishes to express our congratulations for your recent work on the parliamentary committee studying the bankruptcy legislation.
>
> The decision to recommend a super priority of wage claims rather than the payroll tax is certainly welcome by the small business community.

That letter is signed by Bill Parsons, director of national affairs, Canadian Federation of Independent Business.

I say to the minister: He has the bankers on one side and the Chamber of Commerce, although I always have difficulty understanding where it is coming from most of the time, and on the other side he has the Canadian Federation of Independent Business telling us that this unanimous recommendation of our committee to have a super priority is the right approach, that it is the right way to go. That is the recommendation we have.

Furthermore, on the premiums, this whole business of a payroll tax, I bring to your attention a letter which was sent to our committee by His Worship Al Duerr, mayor of the city of Calgary. It says:

> The city of Calgary and all other municipalities will be liable for paying this tax because it is extremely unlikely that the city of Calgary or any other municipality in Canada will ever go bankrupt. No municipality should be required to pay this tax—

The letter goes on to describe how this tax is unfair against municipal governments. Hospitals have made the same kind of representation. I have indicated to the minister that small business has made that kind of representation favouring super priority over a payroll tax.

• (1840)

The minister should look at this again. It will be going to committee very soon. We only have a dozen or so more speakers and then it will be going to committee. It is at that time that the minister should consider and reconsider what he has indicated, at least verbally, that he is not willing to consider that kind of an amendment.

This is not just an amendment proposed by one far-out member of the opposition, if that is what someone on the government side thinks. This is a unanimous recommendation of our committee. Government members, opposition members, members of the third party, everyone was unanimous about that provision. The minister and his parliamentary secretary should remember that.

Had it been merely a recommendation from the Liberal Party that in itself would have been good enough. However, in the unlikely event that the government thought this might have been a purely partisan motion, it was not. It was one that was bipartisan, made by both sides of the House. It enjoyed the unanimous support of everyone on our committee.

There are several other provisions that our committee addressed in this pre-study. For instance we addressed a recommendation that the government investigate ways to reimburse arrears of wages of employees whose employers are insolvent and have walked away from their business where bankruptcy receivership or liquidation has not been initiated.

One of the problems is that there are instances where someone just physically leaves everything there. In many cases, there is also a little environmental disaster, such as a bunch of barrels of chemicals that were buried or some other mess left behind when the people walk away. There is a tremendous concern for anyone to petition an organization like that into bankruptcy. If you do, what happens if you inherit those assets and the mess that is there which you might have to clean up.

Incidentally there was another recommendation by our committee regarding environmental cleanups. Our committee was very concerned and wanted any environmental disaster or mess to be cleared up as soon as possible.

However, we do not think that the employees or anyone else petitioning someone into bankruptcy in order to seize the assets should be forced to pay the cost of environmental cleanup in order to be able to access their owed wages. After all their owed wages are just that, they are wages that are owed to them. That is one other area that our committee addressed, again with a remarkable degree of unanimity.

We were talking about this whole business of unpaid suppliers. Our committee unanimously approved of the government's plan for the revindication of goods. However, upon looking at it, we came to the conclusion that the plan in the bill does not work. It is a technical flaw in the bill because there is a 30-day provision for revindication of goods but someone has 10 days after the bankruptcy or forced liquidation to actually initiate that claim.

That is fine except that in the cases of receivership there is also a possibility for the owner of the insolvent organization to file a proposal in order to try and keep it going. If that happens those two dates work together and the revindication of goods could be nullified 100 per cent of the time. While not changing what the government wants to do, we have provided a number of dates and a number of steps which actually cause this procedure to work. We invite the government to look at it. I know it is studying it. I think the officials in the department have agreed with us that the bill as presently worded will not work and that we need some sort of amendment such as the one we have offered or another one that is slightly different, not necessarily married to that principle, that will actually make it work.

There is another concern as well with the 10 day period. My colleague from Dartmouth and I have looked at this and have actually come up with a scenario in which during a 10 day period, depending on the time of the year, there are actually only three working days.

I invite the minister to look at that, particularly the Christmas period. If a company were to become insolvent just a few days, or one day, before Christmas, the 10 day period in some years may in fact have only three days. How could anyone get organized to revindicate goods or do anything else that must be done in the 10 day period?

The revindication of goods provision is only one of the provisions that has that 10 day feature. There are a number of others as well.

We bring that to the attention of the minister but our report has addressed that in a number of places and his officials should examine that.

We are trying to be constructive in our approach. I think all members want this new bill to work, if and when we do get it. We want wage earners to be protected. We want suppliers to be able to revindicate their goods so they do not come out the losers, as they do now.

[*Translation*]

And of course, the minister himself represents an agricultural riding and is also the Minister of State for Agriculture. He must know that some farmers sell their whole annual production in a single sale; that is, one fine day, a truck comes and takes everything produced in a year, corn from one farm, livestock from another, and so on. Much of the year's income could be from a single transaction. If, for example, a truck took all of a farmer's cattle to the slaughterhouse, which went broke the next day, he should be able to go and see his cattle on location and of course reclaim what is his. In that regard, we all agree with what the minister intends to do. Of course, we want the procedure to work even better. The minister is himself a lawyer and represents a Quebec riding and as I said earlier, he knows very well that such a measure exists in certain cases in Quebec's Civil Code. We want Canadians who live in other parts of the country to enjoy the same or even better protection.

[*English*]

I must express disappointment with the position of the minister and the government that it does not want to abolish Crown priorities.

This is a modern way of looking at this bill. If we are going to do this right we should be giving the priority to the employees not to the tax collector. At least that should not be the first priority.

There is a proviso to what I am going to say and the minister should pay attention to it very closely. We said in our recommendation that an unpaid debt to the Crown should not be utilized against a third party.

If an employee has withholdings of his or her income tax and the employer does not pay them to the Crown, that should not be a deemed debt on the part of the employee. We do not want the employee to be put out because the employer stole, ran away with, or otherwise did not give credit for collected income taxes, unemployment insurance premiums, Canada Pension Plan deductions, or what have you from the employees in question.

• (1850)

With that I will conclude my comments. One of my colleagues wants to contribute as well to this debate. She is our critic for financial institutions and is a far greater expert on this than I could ever hope to be. I want to again tell the minister that we want to work in co-operation with him. However the minister should understand that we are talking about unanimous recommendations and an unanimous report by our committee.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I listened carefully to the hon. member, who raised some important points. I think it would be useful to consider them one by one.

Earlier, he mentioned the revindication of goods, which I would call a major element of this reform. Under the Bankruptcy Act, suppliers of equipment or goods will be able to recover those goods within a given period of time. This provision, which already exists in Quebec and has been in effect for about ten years, is expected to work satisfactorily.

The hon. member mentioned the impact this might have, now the holiday season is approaching. Of course, we will always have this kind of problem. I practised law, and lawyers know how this works. Often people come to the office on a Friday afternoon at a quarter past three and ask us to start proceedings, because the deadline is at midnight. This kind of thing happens every day. I think lawyers everywhere have had that experience. We would all prefer to stay away from the office on Friday afternoon. So it is hard to find a formula to deal with extreme cases.

In the case of farmers, the hon. member must know—and I think he does because he was actively involved in the committee's proceedings—that members of the New Democratic Party and members of my own party agreed to look for a way to do this. It is very complex, because of the problem for farm producers. Yes, I have a rural riding. In fact, the same applies to fishermen. They deliver goods, and five minutes later, those goods are processed to protect them, and so forth. We are going to try to find a way, in a relatively short time, and not just the government, because we intend to invite people, including farm producers, fishermen and processors, to look at how we could find a formula that works. Finding a formula is not enough. It has to work.

I heard some comments about abolishing the priority of the Crown. I think we agree that the Crown's position should be changed somewhat, in fairness to other creditors. The problem is, and the hon. member will understand because I heard him say so on the radio a while ago, that if we use or diminish the priority of the Crown, the latter, which would already be acting generously by losing about $25 million, would, for instance, by withdrawing its present priority over accounts receivable, lose another $50 million. We would have to find the money somewhere else, Mr. Speaker. That is more or less the problem we face.

It is not enough to say there is a problem and remove this priority, because the $50 million will have to be made up by the taxpayers. We will have to find this amount somewhere else. That is why we prefer to proceed with the reduction as tabled.

I was rather surprised by the hon. member's comments, Mr. Speaker, and I would like to ask him about this. Recently, during an interview on the CBC on September 7, I almost had the impression, and I am of course joking, that the hon. member for Glengarry—Prescott—Russell had crossed the floor, because his comments on the radio were so supportive of the bill, and he put up such an intelligent defence that I thought —The hon. member said, and I quote:

[*English*]

There is no good time for a tax after all. However, as the hon. member for Portage—Interlake has said, this involves a relatively small amount of money, six dollars and some cents a year per employee.

[*Translation*]

That was one comment, and here is the other one:

[*English*]

I do not think it has some of the negatives that some people pretend are there. It is a small amount and could benefit some of the same people who are going to make the contributions.

[*Translation*]

Those comments were made by my hon. friend from Glengarry—Prescott—Russell while answering questions about peoples concerns with a tax. So I would like my colleague to tell me if he has changed his mind since, because when I heard him say those things a few weeks ago, I thought his comments rang true. I thought his remarks made sense. I was glad to see that one of my friends on the other side understood the problems that we had and that we had no choice. You even mentioned that employees would be involved, since we would only pay 90 per cent, and that there would be some sharing by employers and employees. I thought this approach was constructive and positive, much simpler and much more practical than super priority.

Therefore, I would like to get the hon. member's opinion on this, since his comments were very positive. I would like to know where he stands today.

[*English*]

Mr. Boudria: Very briefly, Mr. Speaker, the minister has just said that I agreed with the member for Portage—Interlake. All members, Felix and I, opposition members, third party members and his own colleagues were unanimous in our decision. Yes, I did agree with the hon. member for Portage—Interlake, but not on what the minister is saying we did. I invite him to read the report.

Mr. MacDonald (Dartmouth): Mr. Speaker, I rise on a point of order. I have consulted with both the parliamentary secretary and the New Democratic Party to determine if there was unanimous consent not to see seven o'clock until after my colleague from Malpeque has had an opportunity to participate in the debate. I think, if the Speaker consults the House, he would find that there is such consent.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for the suggestion of the hon. member for Dartmouth to give more time to the member for Malpeque?

Mr. Edwards: Mr. Speaker, there have been such discussions. It is my understanding that the hon. member for Malpeque has a short speech of perhaps 10 minutes. We would be prepared to give consent for her to deliver that speech now. We would not want to encroach unduly on Private Members' Hour and we hope that the vote at the end of that hour can still be held on time.

The Acting Speaker (Mr. DeBlois): Is it agreed?

Some hon. members: Agreed.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I certainly appreciate the opportunity to participate in the debate this evening. This bill is one that is certainly overdue. As we know the legislation on the books now was presented in 1949. It is time that we had new bankruptcy legislation.

I know that this bill covers many areas. This evening, since I am limited to 10 minutes, I will try to stay within that timeframe and address three of the areas under this legislation.

The first I want to talk about is wage earner protection. The situation right now pertaining to the legislation of 1949 is that employees of a company that goes bankrupt have a legitimate claim for $500 in unpaid wages out of the assets of that bankrupt company. There are a lot of problems with that. Certainly $500 does not represent very much today. That figure was set in 1949 and simply today, 42 years later, that amount is inadequate.

• (1900)

The second is that according to statistics only 72 per cent of employees did not collect even their $500. I am sure that all members have at one time or another talked to constituents who have been in a situation where a company has gone bankrupt, a company for which they have worked for maybe a year, five years or ten years. All of a sudden it goes bankrupt and they cannot get the wages due to them. Certainly we are seeing that more and more these days.

Last week statistics came out from Statistics Canada which showed that bankruptcies in Atlantic Canada increased 62 per cent over September of last year. In this climate, if an employee loses his job today because a

company goes bankrupt, it is very difficult for him to find another. In fact it is practically impossible in some cases.

Imagine, Mr. Speaker, losing your job and on top of that not being able to collect wages which really you are entitled to. That is the situation that we have under the present legislation. I feel it is extremely important that wage earners be protected, and I am delighted that this legislation has come forward.

I certainly have some concerns about what the government is proposing, because what it is talking about is a tax on employers of approximately 10 cents a week per employee up to $2,000 for unpaid wages. What we have here is a government imposing another tax on small business and certainly we know that small business today cannot stand any more taxes. I mentioned earlier the bankruptcy rate that came out last week. It showed that in Atlantic Canada our bankruptcies have gone up 62 per cent this September over the same month last year.

The government may say: "Well, it is a small amount. It is only an average of 10 cents". That is how all taxes start. They start small like income tax and unemployment insurance which last year went up 24 per cent and there are indications we are going to see another increase this January 1. Here we have another tax being inflicted on small business. Not only that, think of the paperwork that this is going to cause. As I talk to small business owners, that is one of the main complaints they have: the amount of paperwork this government has inflicted upon them.

The committee also recommended that that amount would go to $3,000. In other words if a company goes bankrupt an employee can claim up to $3,000. The approach I am proposing here has certainly been proposed by the consumer and corporate affairs committee and by the Canadian Federation of Independent Business. They realize that this is a better method than imposing a tax on small business.

I think we all know that Canadians have been taxed enough. How does the federal government ever expect small business to lead us out of this recession if it continues to slow down the potential growth with even more taxation?

What has been proposed here is that the employees would have super priorities. That of course would take care of the old problem we have where companies go bankrupt and there is not enough money there to pay the employees because they would have super priority. They would be in a preferred position for up to $3,000. If the money were not there, it could come out of a back-up fund. I recommend that the minister strongly consider this proposal that has been put forward by the committee on consumer and corporate affairs.

Another area of improvement in this bill concerns unpaid suppliers. As the situation is now, suppliers who sell goods to companies that go bankrupt have very little recourse. Often they simply do not get paid. Under Bill C-22 goods delivered to a company within 30 days or within the 30 days that the company goes bankrupt may be repossessed under certain conditions. One of those conditions is that the goods not be altered in any way.

One of the drawbacks of that certainly is in the case, for example of agricultural products. If a dairy farmer supplies milk to a dairy and that milk goes into cheese there is no way the dairy farmer can go in and take back the milk. The same problem is true with fishermen. If they sell their lobster to a canning factory and that factory goes bankrupt, there is no way they can go in and take back their lobster.

Last January the Minister of Consumer and Corporate Affairs received a letter from the Prince Edward Island Fishermen's Association which certainly outlined their concern about this very problem. I am not going to take the time to read this letter, but they expressed very eloquently their concern. Here we are nine months later and there really does not seem to be any indication by this government that it is going to try to deal with this problem.

I certainly support the recommendation of the consumer and corporate affairs committee that the government examine this flaw and try to come to grips with it because it is extremely important for the fishermen and the farmers not only in my province but all across this country.

Mr. Speaker, I know that my time is up. I want to thank you for allowing me to put those remarks on the record this evening. I again say I am pleased that we are discussing legislation which is replacing the old act. I certainly believe in the objectives that have been put forth to help consumers and companies avoid bankrupt-

cy, to try to find a better balance between the creditors and the debtors, and to help avoid the red tape.

As I say I have concerns about the legislation. I have not had ample time to go into them in detail this evening. I hope at a later date I will have that opportunity. I certainly look forward to seeing the amendments that the committee will come up with when it goes to the consumer and corporate affairs committee. Hopefully they will improve the legislation.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed in today's Order Paper.

PRIVATE MEMBERS' BUSINESS

• (1910)

[*Translation*]

INCOME TAX

QUARTERLY INSTALMENTS

The House resumed, from Monday, October 7, 1991, consideration of the motion of Mr. Harvard (p. 2805).

Mr. Guy H. Arseneault (Restigouche—Chaleur): Thank you for giving me the opportunity to make a few remarks on the motion presented by the hon. member for Winnipeg St. James. By the way, I wish to congratulate my colleague from Manitoba who was kind and thoughtful enough to present this motion to correct a serious shortcoming in our tax collection system, one that penalizes the elderly.

As you know, Mr. Speaker, people who hold more than one paid job and those who receive a pension must pay income tax quarterly; they must estimate their annual income and then determine the amount to pay every quarter.

At first glance, this may not seem to be a problem. However, it often happens that they underestimate the amount payable or are late making their payment. In such situations, Revenue Canada imposes heavy penalties and charges high interest.

Mr. Speaker, as my colleague from Winnipeg St. James said in his speech on September 26, seniors in this country do not have the choice they deserve. Is it not obvious that these citizens worked long and hard for their retirement and that they should have the choice not to pay their income tax in four quarterly instalments? The law says that seniors and the self-employed who owe more than $1,000 in income tax must pay quarterly instalments on the estimated annual amount.

Furthermore, the payment deadlines must be strictly respected and the income estimates for the following year must be reliable. It should be mentioned, Mr. Speaker, that the quarterly instalments are supposed to even things out and prevent one group in society from receiving special treatment over another. Unfortunately, for many people, this compromise is ineffective and unfair. Seniors often overestimate and pay too big instalments because they are unable to predict their income.

Like everyone else, they are affected by changes in interest rates. Therefore, they do not know what their income for the year will be. They cannot break it down quarterly.

Mr. Speaker, I think that we in this House should show some compassion and flexibility towards our nation's seniors. Therefore I do not think that it would really be too expensive for the government to allow them to pay their income tax once a year.

The option of a single payment could eliminate the guessing game for seniors and the need for Revenue Canada to constantly examine their accounts.

[*English*]

The purpose of the motion presented by my colleague from Winnipeg—St. James is very simple. It is to allow senior citizens in our country to make one payment on their income tax rather than the quarterly system that is now in place.

I believe if we examine the motion of the hon. member from Manitoba, we will find that it is a very just one. It is a motion that allows flexibility in the Income Tax Act. It is a motion that shows that we have some social conscience. I believe it is important that we, as parliamentarians, listen to our citizens out there and guarantee that when we feel there is an injustice in the system that we will make sure that injustice is rectified as soon as possible. I would say, Mr. Speaker, to go a little further

in examining the Income Tax Act that there are many problems with it and no doubt it has to be brought up to speed as soon as possible.

Looking at this one particular one we could say that the motion has a lot of common sense and I would like to read a few things about the motion.

The Income Tax Act as it now stands forces people, senior citizens, to pay income tax on income they have not yet seen. Bonds and other investments do not mature until the fall quite often and they are still forced to pay tax on them in March. Paying quarterly means paying on income that they have not yet received. Thus they are losing interest on money paid in advance while Revenue Canada collects interest on it.

Another point that should be made while speaking about this is that quite often if there is a miscalculation and the senior citizen has not contributed the right amount, a little less than what they should have contributed, they are not assisted in any way, shape or form. They are told simply in a form letter. There is no reminder. It is straightforward. Give us the interest you owe us, period. Pay up, in other words. We do not want to hear from you again. Just pay up.

I would hope—I do not plan to speak much longer, Mr. Speaker—that hon. members here this evening will support the motion we have before us and when we look at senior citizens across Canada we have, and I am sure every member will agree, we know that they have contributed a great amount to our society in the past and continue to do so.

In closing, I would like to say that another injustice that should be corrected is the $1,000 interest free per year that was removed from the Income Tax Act a couple of years ago. That should be allowed for senior citizens. They should be allowed to earn $1,000 of interest per year. I would hope that in the very near future that the government and members here will see the light and allow senior citizens to earn $1,000 of interest without being taxed on that interest. I think it is very important. I think that most members would agree with that. I find it very difficult to understands why members would not agree to make those changes and make representation to the minister in question.

In conclusion, Mr. Speaker, I would like to thank you for allowing me this time to speak toward the motion.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, indeed this evening it is a pleasure to rise on this particular motion having been the seniors critic for the federal New Democratic Party up until approximately a year ago, and having taken an interest in seniors for most of my lifetime, that interest certainly continues, Mr. Speaker.

I can say without doubt at all this motion, while perhaps needing some refinement, is a way that we can assist our senior citizens in making things easier for them. The motion reads that the government should consider the advisability of changing the collection of the income tax as it affects citizens whose income is not taxed at source so that senior citizens who are required to pay income tax in four quarterly instalments will be permitted to pay only one annual instalment.

What I have found over the number of years since I was a child delivering newspapers to seniors is that one of the difficulties that some seniors have is the difficulty with bureaucracy, the difficulty with keeping dates that perhaps some others find rather easy, the difficulty in keeping track of and properly looking after their money.

What the government has done in requiring them as of 1990 to pay quarterly instalments is add one more problem into the lives of seniors who have, many of them, active lives and who do not need any more of this bureaucratic problem to murky the water for them.

• (1920)

I think the member for Edmonton Northwest, now the chairman of the Standing Committee on Finance, suggested when this bill was before the House on September 26 that while he did not disagree with the thrust of the bill, he would suggest that there were senior citizens who made sufficient income who could afford and should in fact be paying quarterly instalments.

I have no difficulty with that and I would agree with the member that perhaps a refinement to this particular motion might be setting a top-up limit. It might be on the earning amount below which level you only have to pay an annual instalment. It could be in the tax payable amount, above which limit you would pay quarterly and

below which limit you would only need to make an annual payment.

It seems to me that by setting an amount such as that, you catch those who are well able to afford to pay their taxes in instalments. In fact as we look at it in the Standing Committee on Public Accounts, some of those with tax collection problems should probably be paying those instalments. If they have income on interest and pensions that tax payable is $15,000 or $20,000 a year, it seems to me that those people can well afford to pay their taxes.

I think the major thrust should be a simplification of the system as suggested by the member for Winnipeg—St. James. We should ensure that for the vast majority of seniors who make just enough to get by on in this world and are often still below the poverty line, their taxation qualification and their taxation requirements be made much simpler.

It seems to me that an annual instalment is not going to make that much difference. It makes it simpler, it makes it easier, because once a year these people know as of April 30 they must file their income tax returns. They know they must complete the necessary forms in order to qualify for guaranteed annual income supplements, guaranteed income supplements and this type of thing.

They are used to doing the paperwork at that time of year. But they are not used to, and I believe should not have to each quarter try to figure out well, what investment have I got, what amount of money is that investment making for me. Goodness knows, we know how the interest rates climb up and down. Some years you may invest your money if you are very fortunate at 11 per cent, 11.5 per cent, 12 per cent, and other years you may be much less fortunate and end up with your money at 6.5 per cent to 7.5 per cent.

You have to watch this and do your calculations and try to ante up the required amount. I know from listening to the speeches of other members throughout the course of this debate and from my own experience speaking with seniors within my own riding that the penalty provisions of this for seniors and others not filing their quarterly instalments on time are another step, another road block if you will, in the way of seniors.

I look at the over-all effect of the taxation. We should be trying to make it easier for people to pay their taxes, to encourage them to pay their taxes. I mean, we talk to seniors and we talk to others and over the course of years since income tax was imposed back in the First World War, people have always tried to work out ways so they do not have to pay the—and I quote—"tax man" as much each year. I believe that has become part of what we all look at, regardless of age, in trying to work out ways of avoiding the payment of taxation. When talking to a number of seniors this summer I ran into situations where seniors were investing their money at low or no interest rates in order to get out of paying income tax at all. In this way they do not run into the quarterly instalment provisions. In some cases they were investing their money at low or no income rates in order to ensure that they continue to get the guaranteed income supplement.

It seems to me that instead of making it more difficult for them and penalizing them by adding interest and penalty charges when they do not pay their quarterly income tax instalments, we should be making it easier for them and encouraging them and explaining to them that if they pay their taxes they can assist all Canadians. The government should be saying to them: "We will make it easier for you to ante up your taxation at the end of the year in one simple form, but we will also teach you, if you do not already know, that it is to your advantage to invest your money at high interest rates, paying the tax and taking the balance and putting it in your pocket".

What I have found is that the government does not do that. Some people are confused by the complicated tax rules. When you look at some of the pamphlets that are sent out and the instructions in them, it is confusing. Some of the wording of these pamphlets is sort of ridiculous with respect to this particular provision within the tax, which says "You may be required to pay your taxes for 1990 by quarterly instalments". To my way of thinking, "may" is not mandatory, it is optional. It makes sense that they do not have to, that there is another option and yet if they do not they are penalized.

The thrust of what I want to say in concluding is that we should be making it easier over all, for not only seniors but all Canadians to pay their taxes, but particularly for those who are in their golden years we should ensure that things are made easy for them and that they are not made more complicated, as this provision within the Income Tax Act is. I implore this government to pay attention to the member's motion and pay attention to

what has been said in this debate, that there is a better way to make things easier for our seniors in Canada.

Let us do it for them and let us do it now by supporting this motion.

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I am pleased to rise tonight in this debate. I congratulate my colleague, the hon. member for Winnipeg—St. James, for this good motion.

Maybe not everybody in the House has been approached by constituents about this particular hardship in the Income Tax Act, but I have had people approach me. I just want to say that some study by this House should be allowed on this motion. I say that because if the minister and his officials had put a level of income tax owed that one would have to pay quarterly on anything above that level, you might not have seen the hardships that have developed since.

This motion pertains mainly to seniors, but there are special cases too where there is an amount of money put away in a banking institution which comes due only once a year. Perhaps it only gives a return of a thousand or a couple of thousand dollars in interest, which should not force the person to pay quarterly instalments.

• (1930)

The idea of quarterly instalments I can see for those who have a large income coming in, but for someone who has perhaps $20,000 and is getting 10 per cent interest on it at the bank, it does not make sense to make them pay taxes quarterly. It does not make sense to make them go to the bank and change the arrangements from a yearly term deposit to a quarterly term deposit. They are going to lose money. They are not going to get the best value as the higher income people can who would perhaps fit that category.

I have spoken to the department. Some of the officials feel that perhaps it should be looked at. It definitely was not meant to catch the people who earn income at the lower income levels.

The other thing I want to say about this is there are special cases who are not seniors, widows perhaps, people living on very low income and getting interest back from their investments that are not high enough or they should be below a level that they have to do it on a quarterly basis.

I want to say that the way it was done is an affront. People did not realize they had to pay quarterly. They get a notice and it says: "You should have made instalment payments in 1990. Since this is the first time you have been notified of this requirement we did not charge you interest", that was for 1990, "If you need to make instalment payments in 1991", that is the first confusion, "your first payment is due 30 days from the date of the notice".

All of their banking arrangements that have been done for a year and this is the first time they get notice. They have to borrow or they have to break that investment in order to pay quarterly. Further it says: "We will send you more information about instalment requirements shortly". It goes on, and this is the part that really gets me: "Your balance payable includes interest on arrears which is compounded daily at a prescribed rate and calculated from the due date of your balance to the date of this notice".

This is the first time probably this senior or this special case had this happen and automatically runs to a bank, takes out their investment and the government is going to get less on the taxable return because there will be less income from that investment.

It makes no sense at the lower income level to force a person to pay quarterly. I say force, because this is the next notice that this person got: "We have processed your application form for the GST credit that you submitted with your 1990 income tax return". The GST credit is to help lower income people through the 7 per cent GST. It goes on: "We have calculated your GST credit as shown below. Your yearly entitlement to the GST credit is shown", as such and such a line, "and it is payable to you now. However, the amount of *x* dollars payable now has been applied to the income tax account to reduce or eliminate the balance owing. If the balance has been paid, we will send the remaining credit".

Look at all the red tape that this government has imposed on a senior citizen who has a couple of thousand dollars or under of interest or in one of the cases I have, a special case, where there was under $2,000 owing and they have to either break that investment, in order to get

their GST back as well as not have the arrears payable on something they only found out that was due. It is crazy.

On that note, I will allow my colleague from Winnipeg—St. Boniface to finish with my time.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to be able to stand in the House tonight to address the motion which perhaps for the purpose of the viewers I should explain. It is basically to reduce the amount of red tape, give a choice if you wish, to seniors who now have to pay quarterly instalments providing they need to pay $1,000 of income tax. This is a laudable initiative and I want to commend my colleague, the member for Winnipeg—St. James, for his sensitivity towards seniors. He has recognized, as many other members have, that our seniors have built this country.

[*Translation*]

They built this country. Today we have what they left to us and I believe that it is up to us, as parliamentarians, to try to make life easier and simpler for them. We now have this splendid opportunity to do just that.

I received telephone calls as well as letters, and people have come to see me, in my office in Winnipeg, on that issue. To some, it is annoying because it shows a certain lack of sensitivity towards them, even though this was not necessarily intentional. These people used to pay taxes at the end of the year, and now they are faced with a new system. This creates some confusion. Sometimes they forget, sometimes they underestimate their income and this creates all kinds of problems and headaches. There is simply no reason for that to happen.

I just want to say that I, as the member of Parliament for St. Boniface, support this motion.

[*English*]

As far as I am concerned, this type of question should not necessarily be in the House of Commons simply because it makes so much sense. It needs to be looked at and it should be looked at immediately. It should be rectified.

[*Translation*]

It seems to me that this could be easily rectified by experts in the field, so that it would not even be necessary for the House to spend time on this.

This proposal should not require a long debate, because it makes so much sense that we should simply go ahead with it. We know that our seniors deserve that kind of consideration.

[*English*]

I would like to propose that while we are looking for this kind of consideration for seniors, we should extend the net a bit. What about other citizens today who are similarly affected, who could profit from this kind of review and who might benefit from some changes in the act so that they too can reduce the amount of paperwork. The government may also reduce its red tape and somehow we can do this more easily than has been the case in the past.

What we really want to do is give people a choice, *un simple choix*. We are not saying it should be done one way or the other. There are a number of ways this can be done. Our job surely should be to reach out and respond as sensitively as possible to all of those particular needs of seniors and others if appropriate. It is appropriate in certain cases. I am thinking of small business persons and other individuals in Canadian society.

I believe it would reduce bureaucracy. Certainly it would reduce the work of those who have to fill in those forms continually and who are frustrated by over-estimations or under-estimations of revenue, who receive those letters that are processed by computers that are sometimes very insensitive, rather rude and upset people a great deal.

At the very minimum—and I hope it is not the way we are going to go—we must at least look at the limit of income tax that is now paid and ensure that a whole lot of other people do not unnecessarily fill in those forms that take up so much time and are not terribly productive.

While we are doing that, I would hope that we might look at other types of reform. I am really suggesting that this committee of finance has a great deal of work to do. Not only can it look at this, but I think it should and I support it.

At the same time they might want to extend their mandate and, perhaps, set up some new objectives and look at the tremendous amount of taxation they have imposed on the middle class of Canada, which is really the motor of our economic infrastructure in this country.

It is really the group that contributes so much and because of the over-taxation, that motor is not running well right now. That is one objective.

I would hope that they might also look at another difficulty I have addressed, the difference between married and unmarried couples, where the unmarried couples get more deductions than married couples. I am not looking to lower the unmarried couples' reductions. I would simply like the married couples' reductions to be at the same level.

• (1940)

Likewise, another discriminatory practice they should be looking at is the question of parents who choose to stay at home to raise their children and those who have their children, at least part of the day, brought to a day care and receive care and a receipt that they can use as a deduction. That is a contradiction and is unfortunate and discriminatory. I would hope that in the process of looking at this they might extend their mandate, set up more objectives and review a number of difficulties that we find.

I would suggest that it is time then to come to the end of this debate, at least very, very shortly. Let us fix this thing now, as well as others that need attention. I am delighted that we have support, as I understand it, from all parties. There is a willingness to go forward, to address this, study it and come up with some remedies. Hopefully those remedies will be in line with the comments that have been made this evening, not only by me but by my colleagues from both opposition parties.

I would hope that this can then proceed to committee so it can get the study and attention it deserves.

[*Translation*]

Mr. Speaker, I conclude by asking my colleagues to find solutions, as soon as possible, not only to this problem, but to the others that I enumerated and to many more that need attention.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I am happy to participate in this debate on motion 484 standing in the name of Mr. Harvard, the hon. member for Winnipeg St. James, which reads as follows:

> That, in the opinion of this House, the government should consider the advisability of changing the collection of income tax as it affects citizens whose income is not taxed at source so that senior citizens who are required to pay income tax in four quarterly instalments will be permitted to pay only one annual instalment.

Mr. Speaker, this concerns me because some 7,500 of my constituents are so-called senior citizens and I hear their comments having to pay quaterly instalments.

[*English*]

I have had numerous representations from constituents on this matter, senior citizens all of them, who have had little experience with the obligation of the employers to send the usual deductions at source to the Government of Canada. These people are not used to this system and are surprised and sometimes very upset that even though they have low incomes, that is below $20,000—I am not talking about rich people I am talking about people who live with incomes that are less than $20,000—they have to, because of the system, anticipate the income they are going to make in a year and send Revenue Canada quarterly payments.

The income tax regulations are there for all of us to obey. They do not question the law, they question the process more than the appropriateness of paying income tax. They do not question the fact that they have to pay their share. They have paid it all their lives and they intend to continue.

The difficulty is that many of my constituents happen to be at this time of the year waiting for their cheque from the investment they made last year in Canada Savings Bonds, for example, which are paid once a year. They have GICs which are paid once a year. The income comes in a lump sum once a year but they still have to anticipate paying income tax every quarter. That creates problems.

We know what it is to have to administer a budget. For these people there are sometimes difficulties arising from the fact that the insurance on their homes or their furniture or the public liabilities that they like to keep are due.

They also have other bills, credit cards, God knows. Things that you and I have to cope with on a daily basis or on a monthly basis appear to be a charge upon their ability to pay, and they have to budget. They find that difficult because their income is not a monthly income any more. It is not an income which has been taxed, because the employer took away some of the deductions that were normally required.

They have to anticipate. For most people in retirement if they underestimate the payments or if they are late in making their payments, they are penalized. They do not understand that.

In a case—I do not want to read the lady's name because I think it would be revealing personal information—that happened on October 11 of this year, just a week ago or so, a lady whose income bracket was below $20,000 was penalized because she failed to make the quarterly income tax payments on time. Now Revenue Canada is saying: "Not only are we going to penalize you but we are taking the moneys that you owe us from the instalments you are making now".

In other words she is trying to put in place a system of paying whatever she owes. However, they are taxing not only her past failure to meet the required timeframes and deducting that from her actual payments which are in keeping with what she has been told is adequate. It makes it difficult.

Senior people sometimes think—I believe that they are right—that the system is not operating in a way that is just for them. We should possibly look at the advisability, because that is what the motion calls for, of changing the collection of income tax as it affects citizens whose income is not taxed at source.

I would possibly be one of those who would propose or suggest during study in committee that we should put a ceiling on the taxable income so that the rich do not get any benefit. I do not see any reason why those who have high earnings should be favoured by this measure.

I do believe sincerely that in the lower brackets, the lower two quintiles, that we should possibly be considerate of the situation and allow these senior citizens to make one payment once a year at income tax time on the income earned during the year.

The debate has been very interesting. I have read most of it and have followed it attentively. I know most members are in favour of this position and I want to congratulate the member for Winnipeg—St. James for bringing this to the House.

I think it is a simple measure of justice, a simple measure of equity, and a simple measure of fairness for our senior citizens that would help them to avoid having to make decisions that would possibly jeopardize their financial situation.

I believe there is a disposition before this House today which is in keeping with our Canadian way of life. These citizens have earned their keep, they have proven to us Canadians that they are indeed, in my view anyway, not looking for special consideration but looking for fairness. In view of the importance of this matter I would like to move a motion at this time. I am seeking unanimous consent to do this and I would like to put it to you, Mr. Speaker, that you seek unanimous consent for the following motion:

> That Motion No. 484 in the name of the hon. member for Winnipeg—St. James be withdrawn and the subject matter be referred to the Standing Committee on Finance for study.

• (1950)

[*Translation*]

The Acting Speaker (Mr. DeBlois): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is no unanimous consent. Resuming debate. The hon. member for Prince George—Bulkley Valley.

[*English*]

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, just before I start I wonder if you would be able to give me an indication of how much time we have just on a point of order. Is it four minutes? How much time do we have available?

The Acting Speaker (Mr. DeBlois): There are only three minutes left in debate.

Mr. Gardiner: Mr. Speaker, I guess I probably used up two minutes finding out I had three minutes left.

In any case, very briefly, we in the New Democratic Party want to register our support for the motion presented by the member for Winnipeg. I think it is an important one given the contribution that seniors have to Canada, the extra effort they always make in their communities. Certainly I think it is an important measure on the part of the Parliament of Canada and the Government of Canada to ensure that in the case of taxation policy every effort is made to make their lives as easy as possible.

This motion presented by the member would change the current requirements that the collection of income tax is done on a quarterly basis. As I say, it is an

important motion and certainly we offer our full support to that motion.

The Acting Speaker (Mr. DeBlois): It being 7.54 p.m., pursuant to Standing Order 93 the time provided for debate has expired.

The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

[*Translation*]

And the division bells having rung

Mr. Gauthier: Mr. Speaker, on a point of order.

The Acting Speaker (Mr. DeBlois): Order, please. The hon. member for Ottawa—Vanier, on a point of order.

Mr. Gauthier: Mr. Speaker, since this vote will be taken during Private Members' Business, I think it would perhaps be appropriate for the Chair to proceed by row instead of by party.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to have the vote taken row by row?

Some hon. members: Agreed.

Motion negatived on the following division:

(*Division No. 51*)

YEAS

Members

Allmand	Boudria
Flis	Gardiner
Gauthier	Harvard
Hopkins	Hunter
Jordan	Plamondon
Proud	Rideout
Saint-Julien	Whittaker—14

NAYS

Members

Anderson	Bertrand
Bird	Bjornson
Blais	Brightwell
Cardiff	Chadwick
Champagne (Champlain)	Charest
Chartrand	Dick
Dobbie	Duplessis
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Holtmann
Horner	Hudon
Jacques	Joncas
Kempling	Layton
Littlechild	MacDonald (Rosedale)
MacKay	Malone
McCreath	Merrithew
Mitges	Plourde
Porter	Redway
Reid	Richardson
Robitaille	Roy-Arcelin
Scott (Victoria—Haliburton)	Sobeski
Soetens	Tardif
Thacker	Thompson
Tremblay (Lotbinière)	Van De Walle
Vien	Vincent—58

PAIRED—MEMBERS

Milliken	Tremblay (Québec-Est)

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

[*English*]

Mr. Waddell: Mr. Speaker, I rise to object to this procedure. The bell rang for less than five minutes. I just arrived from Vancouver; I was at a meeting. There are other members around. I see the member for Skeena. There is a member across there from the Fraser Valley.

We wanted to vote on this matter and we were not given sufficient time to get over here to vote. Had I been able to vote, Mr. Speaker—

Some hon. members: Oh, oh.

The Acting Speaker (Mr. DeBlois): Order, please.

[*Translation*]

I may simply remind the hon. member that the Order Paper indicated this was a votable motion, and I do not think anyone in this House was taken by surprise.

The hon. member for Restigouche—Chaleur.

[*English*]

Mr. Arseneault: Mr. Speaker, I would like to raise an objection as well on a point of order.

I spoke in favour of the motion this evening. I returned to my office to do some work and I was waiting for the vote. It was supposed to have been a 15-minute bell; it was a 5-minute bell. As you know my office is in the Wellington Building and there are no buses running from Wellington in the evening. I got here and the vote had already started so I did not participate in the vote, although some members who arrived after me did vote against the motion.

I would like to say that had I been here on time—and had there been a 15-minute bell I would have been—I would have voted in favour of this motion as any sensible person would have.

Mr. Hawkes: Mr. Speaker, members who were not present in the Chamber may not have realized that the mover of the motion attempted to withdraw the motion and move the subject matter to the finance committee. That takes unanimous consent. Unanimous consent was not given. One member present in the Chamber refused that consent.

An hon. member: Who was it?

Mr. Hawkes: But I do understand, Mr. Speaker, I have had consultations with members of the finance committee, they do have the power to examine the subject matter and they will indeed be examining the subject matter as the mover of the motion proposed.

Mr. Volpe: Mr. Speaker, I am sorry but I would have wanted to be here for the vote as well. I was caught in the same dilemma as many of my other colleagues who found that the bell was a rather short one. I also would have wanted to have spoken in favour of this motion. I had the opportunity to do neither.

Had I been here on time, I would have voted in favour of this motion.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. Before entertaining further points of order, I may remind hon. members that according to long-standing practice here in the House, when a vote is scheduled, the bells shall ring for not more than fifteen minutes, and when the two Whips enter the House and indicate to the Chair that members are ready to vote, the Chair has no alternative but to proceed with the vote. That is what happened this evening.

It being 8.10 p.m, this House stands adjourned until tomorrow at 10 a.m, pursuant to Standing Order 24(1).

The House adjourned at 8.10 p.m.

HOUSE OF COMMONS

Thursday, October 31, 1991

The House met at 10.00 a.m.

Prayers

PRIVILEGE

MEMBER FOR PORT MOODY—COQUITLAM

Mr. Speaker: I should advise the House that I have received a number of applications on a question of privilege.

• (1010)

I might indicate to the House before we commence that I expect and I know that all hon. members will conduct whatever debate is to ensue here with the dignity to which this House is entitled, keeping in mind our traditions.

I call upon, first of all, the hon. member for Parkdale—High Park.

Mr. Jesse Flis (Parkdale—High Park): Thank you, Mr. Speaker. I rise on a question of privilege pursuant to Standing Order 48 and according to *Beauchesne's Parliamentary Rules and Forms, Sixth Edition.* Paragraph 114 defines a question of privilege as saying:

> (1) By its nature, a question of privilege is of such importance that it may be raised at any time.

Standing Order 48 makes provision for the precedence of a question of privilege over all other business of the House.

That is how seriously I take this question of privilege. I gave the Chair notice last night. In fairness to the member concerned, I also notified the hon. member because of my deep respect for him as we entered this Chamber at the same time.

It pains me to raise what I have to raise in this question of privilege but I had to weigh my respect for the hon. member and the respect for the authority of this House, and the respect for the authority of the Mace and the Speaker.

My question of privilege arises from proceedings in this Chamber at approximately 8.10 p.m. on Wednesday, October 30, 1991 when the Speaker was in the process of adjourning the House until the next sitting day.

We have Standing Orders which regulate the behaviour of members when the House rises at the end of a sitting. The Standing Orders ensure that House proceedings are carried out with a degree of ceremonial order. If I can quote to the hon. members our Standing Order 16(3) which reads:

> No member may pass between the Chair and the Table, nor between the Chair and the Mace when the Mace has been taken off the Table by the Sergeant-at-Arms.

Standing Order 16(4) says:

> When the House adjourns, Members shall keep their seats until the Speaker has left the Chair.

Last evening, the Speaker did adjourn the House with ceremonial order and with dignity. The members who stayed in their seats according to Standing Order 16(4) were shocked to observe an hon. member of this House, the member for Port Moody—Coquitlam, get out of his seat, run down the Chamber right in front of us and grab the Mace which was on the shoulder of the Sergeant-at-Arms.

The Speaker was still in his chair when the member got out of his seat and began running down the floor of the Chamber, clearly debasing the decorum of the House and contravening Standing Order 16(4).

I am not accusing the member of contravening Standing Order 16(3). When the member was clutching the Mace, he was behind the Sergeant-at-Arms, not between the Chair and the Mace.

The contempt for the authority of the Mace, which is the authority of the House, was an even worse offence than contravening Standing Orders 16(3) and 16(4).

The Mace is the Speaker's authority and it is this authority that maintains decorum and order which under

Standing Order 16(4) commits members to be seated when the Speaker leaves the Chair at the end of a sitting.

In the question of privilege that I raise, the Speaker was on the stairs by his chair waiting for the Sergeant-at-Arms to precede the Speaker, which is the correct ceremonial process. Had the member held on to the Mace stronger or longer, the Speaker would have been prevented from leaving his place. In other words, one member of this House, by holding the Mace, the authority of this House, could have prevented the Speaker from leaving this Chamber.

In presenting my question of privilege I wish to emphasize the authority of the Mace and again I refer to *Beauchesne's Parliamentary Rules and Forms, Sixth Edition*. Section 136 reads under the heading "The Mace":

> The symbol of the House's authority is the Mace.

Section 137 reads:

> During the election of a Speaker, the Mace is placed on a cushion on the floor under the Table. When the Speaker has been elected and is in the Chair, the Mace is placed on the Table.

Ladies and gentlemen, if we disrespect that Mace, that authority, we show disrespect for the Speaker of this House. We show disrespect for this entire Parliament. That is how serious this contempt for the authority of Parliament is.

Section 168 in the same edition of Beauchesne's reads:

> The chief characteristics attached to the office of Speaker in the House of Commons are authority and impartiality. As a symbol of the authority of the House, the Speaker is preceded by the Mace which is carried by the Sergeant-at-Arms and is placed upon the Table when the Speaker is in the Chair.
>
> Reflections upon the character or actions of the Speaker may be punished as breaches of privilege.

What we observed last evening was clearly a member challenging the decision and action of the Speaker and this must be punished as a breach of privilege. The Speaker made a decision to adjourn the House. An hon. member of this House showed contempt for that decision.

The Speaker's action was to adjourn the House and to proceed ceremoniously out following the authority of the Mace. An hon. member showed contempt for that Speaker's action and the authority of the Mace.

Beauchesne's rules in the same edition. I would like to share with you section 117 on page 29, "Role of the Speaker":

> Once the claim of a breach of privilege has been made, it is the duty of the Speaker to decide if a *prima facie case* can be established. The Speaker requires to be satisfied, both that privilege appears to be sufficiently involved to justify giving such precedence (or as it is sometimes put, that there is a *prima facie* case that a breach of privilege has been committed); and also that the matter is being raised at the earliest opportunity.

Our rules provide that when a member accuses another member of contempt of this Parliament it must be done in a motion. I conclude my case with the following motion:

> Whereas the hon. member for Port Moody—Coquitlam by his actions on October 30, 1991, at approximately 8.10 p.m. did show contempt to the authority of Canadian Parliament, and
>
> Whereas there appears to be a prima facie case that a breach of privilege has been committed, and
>
> Whereas this matter is being raised at the earliest opportunity, I move that the member for Port Moody—Coquitlam appear at the bar of the House.

Calling for an order for a member to appear at the bar of the House is a procedure which has rarely occurred in Canadian parliamentary history. The kind of behaviour displayed by the hon. member has never occurred in the history of this Chamber.

Mr. Speaker: I want to assure the hon. member for Port Moody—Coquitlam that I will hear him at an appropriate moment.

• (1020)

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I was in my place last night when the hon. member for Port Moody—Coquitlam ran down the aisle of this House of Commons and grabbed the Mace while it was in the hands of the Sergeant-at-Arms as he was leaving the Chamber at the end of the day.

The Speaker had made a ruling on an earlier point of privilege that had been raised in regard to the timing of the vote. We know, Mr. Speaker, that decisions on the part of the Chair are final.

The member for Port Moody—Coquitlam obviously was not willing to accept the judgment of the Chair, and therefore in this way was challenging the authority of the Speaker.

We have seen moments of emotion displayed in this House on many occasions, but in my time here I have never seen anyone run after the Sergeant-at-Arms and grab the Mace. It comes at a time when we have an ongoing discussion before this House on the conduct of members in this Chamber and I think it is something we have to talk about and think about, not only on a particular day when we are debating that subject. Certainly it is something we have to be thinking about and have in our minds every day that we sit in this place.

I agree with my colleague from Parkdale—High Park that the standing orders are very vague on this subject. I suppose when the standing orders were studied by committees of this House and recommendations made that no one ever perceived that a member would be running after the Sergeant-at-Arms to grab the Mace.

The question of decorum in this place is a very serious one. If 295 members in this Chamber decided they were not going to abide by the rulings of the Chair and were even going to challenge the Sergeant-at-Arms himself as he performed his duties at the end of the day after the House had been adjourned, then this place would simply cease to operate. Therefore, this matter must be taken very seriously.

I saw the look on the Sergeant-at-Arms' face as he stood just about six or seven feet away from me last evening when he suddenly realized someone was trying to pull the Mace from him. It is totally inappropriate, Mr. Speaker, and I think it points up why we must take a serious look at our conduct in this House.

If we are going to talk about the need for decorum in this House, for decency to one another, and respect for the institution of Parliament itself, then we have to do more than talk. We have to act accordingly as we perform our duties in this House.

It comes down to the fact that members must try to control their emotions. The Mace is the symbol of the authority of Mr. Speaker and that is why it heads the parade going down the Hall every day as we enter this place. Therefore, it should not be meddled with in any way. It was a challenge to your authority in the House, Mr. Speaker, there is no question about it.

The Speaker last evening made the appropriate ruling on the point of privilege and adjourned the House. All was in order. But I agree with my colleague who raised this issue originally, that we cannot treat this lightly. We have the authority of the Chair to protect if this House is to function properly, and certainly we have the image of members of Parliament to protect if we do not conduct ourselves properly.

I do agree with the comments of the previous speaker. I would ask, Mr. Speaker, that you take this incident very seriously because I have never seen it happen before in all my years here and it should never happen in this place again. I think members have to take stock of themselves and realize that if we are going to sit in the Parliament of Canada then we had better start treating this place and the institution of Parliament itself, and indeed the authority of the Speaker of this place, with the greatest possible dignity so that we can conduct the business of the people of Canada with respect.

Mr. Speaker: Just so that the House knows where we are going, I will recognize the hon. member for Calgary West and immediately afterwards I will recognize the hon. member for Eglinton—Lawrence and the hon. member for Thunder Bay—Nipigon. Then, given the disposition of the House, I would go to the hon. member for Port Moody—Coquitlam.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I too was present in the House last evening and witnessed the events. I think the description of those events that has been laid on the Table is accurate and is confirmed by the television tape. From my point of view, I think we have little choice in this Chamber but to support the motion that was moved by the first speaker today.

I had the opportunity last Friday to rise in the Chamber and speak on the issue of decorum in the House. I tried in my own fashion to indicate how I felt when the House allowed contempt inside this Chamber. It is difficult for people outside the Chamber to have a positive feeling about the Chamber and its importance in our society, and that contempt inside the Chamber had to be stopped by the collective courage of the members of the Chamber if we were to ever have a hope of restoring this institution to the kind of level of esteem with which it should be held.

Perhaps more eloquently than I could say are the words of a constituent from Melville, Saskatchewan. When I arrived at the House this morning there was a three page letter from a Mr. Almasi to the member for Port Moody-Coquitlam, with copies to a number of the people in this Chamber, including yourself Mr. Speaker,

and the member who was in the Chair last evening. I would like to read three short paragraphs because I think they capture the message that was probably conveyed by television to constituents in the country and their sense of disappointment in that behaviour. The first paragraph begins thus:

> As I was watching television last night (Wednesday, Oct. 30), I saw a high placed politician in a certain country abandon the use of words and take up the use of force and bullying in an attempt to get his point across.

Paragraph 3 continues:

> Instead I was watching the parliamentary channel and witnessed you, sir, take the tradition, honour and dignity of the House of Commons and trample it.

This is a letter to the member for Port Moody—Coquitlam and the fifth paragraph of that same letter reads:

> After barracking at the Acting Speaker, the Hon. Charles DeBlois in a bid for attention, you stormed up the centre aisle, like a spoiled child who doesn't get his way would do, and used force against an Officer of the House.

• (1030)

In my remarks last Friday, I spoke about the escalation of verbal violence in the Chamber and the need to bring it to a halt, the need for all members of this Chamber to support the Chair in the enforcement of our rules and, Mr. Speaker, I did not in my wildest imagination think that we would be facing, just a few days later, the use of actual force in this Chamber to attempt to put one person's will against the majority of the House and against the institutions of the House.

I simply want to signal that I think the only course of action available to us, if we care about the issue of contempt of this House, is to support the motion as moved by the member for Parkdale—High Park.

Mr. Speaker: As I have often done in the past, I perhaps can assist the House by indicating that I have the facts. I am fairly familiar with the procedural law. I know the hon. member would not need, necessarily, to repeat of what has gone on before, but I certainly will hear him.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, much of what I would have to say would be repetitive, and I would not want to impose that repetition on hon. members in this House.

I must associate myself with the motion presented by my hon. colleague from Parkdale—High Park. He has put it very eloquently, very cogently and in a framework that is representative of the kinds of manners that we are accustomed to in this House, that is that reason and dialogue and negotiation prevail in all instances.

Last night we had a circumstance, a situation where one of the members abandoned those kind of traditions and imposed his will by force than by reason and by dialogue.

I want to just reaffirm something that my hon. colleague from Renfrew indicated. That action was not only inappropriate because to suggest that it would be inappropriate would diminish the gravity of the offence.

It is an offence not merely upon the Speaker and the Mace, but against all members is this House by virtue of the authority that all members in this place rest in both the Chair and the Mace, and other symbols of the citizens' right to have his and her views expressed and to have those views decided upon.

In closing, I do not think that this House can do anything less than to support the motion of my colleague from Parkdale—High Park so that we can restore to this House, not only the decorum but the appropriateness of the mechanisms that we need to have in place in order to arrive at decisions without lapsing and collapsing into some of the scenarios that we have seen in some far eastern Parliaments.

Miss Deborah Grey (Beaver River): Mr. Speaker, I rise briefly on this same point.

In terms of the decorum of the House of Commons and what we have seen happen in the last few weeks, I know that from my experience in high school as well as parenting that what we need to look at here is the whole idea of consequences.

When there is some behaviour that is inappropriate, or if we are looking at some wrongdoing or an action that is not appropriate, we need to look very specifically at the idea of consequences: What is it that will happen to me if I misbehave in the home, at school or in the work place, or in fact in this institution, the House of Commons. I would just raise two points before we move on. First of all, the idea of consequences must fit the seriousness of

the action or the wrongdoing. When we look at consequences in this Chamber of what might happen if somebody acts inappropriately in terms of not obeying or respecting the Chair or in terms of not respecting other members of Parliament, as we have talked about at great length in the last few months.

First, the consequences must fit the seriousness of the wrongdoing.

Second, I think every one of us in this Chamber has had dealings with other people in terms of work place or family or in a school setting, and the consequences must be administered as soon after the wrongdoing as possible. That is where somebody will be able to feel the most impact of those consequences. I believe that none of us would deny that. As soon as a consequence can be administered is the most important time and certainly has the most important effect.

In terms of recent behaviour we have seen in the House, we are looking at a number of weeks already. We saw most recently an event that happened last night. That certainly is first and foremost on our minds this morning. Several weeks have gone by since we have seen other dreadful things happen in this House.

I am calling on you, Mr. Speaker, to act as quickly as possible to administer consequences so that there will be some real and powerful effect.

In terms of this decision you are going to be called upon to make very shortly, I recommend to the House and also to you, Mr. Speaker, for whom I have such a great deal of respect, that the seriousness of this and the consequence could very seriously be watered down if a certain amount of time is allowed to go by.

I would like to say to the hon. member for Parkdale—High Park that it is important that we all support this motion and get on with the business of this House.

I will close by saying that I have had several calls in my constituency office and my Ottawa office within the last number of weeks and months. People in my riding are saying: "I forbid my children to watch the Parliamentary channel". I am sure we have all heard that. To me it seems a very unnerving and frightening experience for those of us here who are supposed to be representing the highest institution in the land.

Mr. Speaker: It would seem that the House would wish that I recognize the hon. member for Port Moody—Coquitlam.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I did arrive right away and as I suggested to you earlier, I would like to stand up as soon as possible on a matter of privilege to deal with this matter.

You did recognize various other members and on reflection, I very much appreciate that. I listened very closely to all members of the House whom I respect a great deal, and I think they know that.

I want to say, Mr. Speaker, that I do unequivocally apologize for the events last night. I expressly apologize to the Sergeant-at-Arms and other members of the House and to the Chair. I did not intend to show contempt for the House or for the Speaker. I have nothing but admiration and the deepest feelings for the House, which I have served for 12 years. I am now serving on a number of committees of the House on a number of issues, including all the issues that are coming up today in the House and next week.

Mr. Speaker, this is not an excuse, but I do want to say that I was, I suppose, angry last night because I felt that I could not vote on this seniors bill. The seniors issue concerns me very deeply. I felt at the time, for some reason that I do not understand, but I guess it will be explained, that we had a short bell and I rushed over here fresh from a meeting on the Young Offenders Act, just having arrived from Vancouver. I rushed over here to try and vote. When I got here there was no vote. I was not alone. There were a number of other members.

I tried to explain my position and get it on the record. I felt that I was cut off. I also felt that other members were cut off. There were a number of members, including the member for Skeena, the member for Fraser Valley East and other members, trying to get up to explain why they did not vote on an important issue and to clarify the matter.

I thought the Speaker did near hear me or understand me. I was going down to try and alert him to that. That is no excuse, but I want the members to know because I value all those members who spoke very deeply. I know them. I want them to know what was going on in my mind.

• (1040)

For some reason, I thought that perhaps the Speaker might reconsider and listen to those members. Foolish in retrospect, but I do want to say that I did not intend to show contempt for this House. I did not intend to show contempt for the Speaker. I have worked in this House as well as any member and I have always shown great respect for the House. I was thinking about British parliamentary tradition, and I know the dangers of touching the Mace and what it represents. I know what happened to King Charles when he did that, he got his head cut off.

Some hon. members: Oh, oh.

Mr. Waddell: I do not want to give the members any ideas. The members will forgive me, but there was a young MP in the Bahamas years ago who picked up the Mace and threw it outside actually. His name Lynden Pindling and he has been Prime Minister for 30 years I think now There have been other incidents.

Mr. Speaker, let me return. This is a serious matter and I do not want to joke about it. I listened to what the member said. I offer my complete apologies to the Sergeant-at-Arms, to the other members, to the gentleman who sent you the fax. I have not received my fax but I will get it no doubt and I will reply to it and other letters.

I do not think I can say any more than that. I have offered my apologies. I know that there have been incidents in the House where people have been accused of being racist and sexist and so on. This is a different sort of incident, nevertheless a serious incident as well. I say to the members who spoke today that I offer them and the House my apologies. Those were not excuses, my concerns for seniors and the procedure of the House and the vote, but I want the members to know that this is not just for me, that I had in my mind that I was trying to do something to further my own ends in any way. In my own mind, there were members standing up in the House, we were a long way from the Chair, and there members standing up here from the House who wanted to get on and wanted to speak and I thought they should get a chance and then the House could be adjourned. I was trying to alert the Speaker. I walked up and the Mace was there. I touched the Mace and I should not have done so.

This is the fourth time I have said it and I will say it again. I know the member from High Park and I know the member from the Ottawa Valley, Renfrew—Nipissing, and I deeply respect them. When members like that stand up and say that they were hurt and everything, I want to tell them that I understand. When it comes from members like that then there was something wrong and I apologize for that.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I certainly want to say how much we appreciate the very thoughtful interventions that all members have provided to the House this morning. In respect to the institution of Parliament, to the position of The Speaker and to the position of the Sergeant-at-Arms, I want to on behalf of all of the caucus join with the member and apologize for this unfortunate and inappropriate incident.

Mr. Speaker, we acknowledge that the traditions and symbols of this place are very important in terms of our democracy, the democratic way of government and the institution of Parliament. The member has apologized to yourself, Mr. Speaker, to the members of the House and to the Sergeant-at-Arms. We realize that this is a very, very grave and very important issue.

There has been a suggested course of action that you will undoubtedly reflect upon. I want to suggest, Mr. Speaker, that another course of action would be for you to name the member. This is a tradition of this House for inappropriate actions that members take from time to time. I simply leave that with you, Mr. Speaker. We apologize for this unfortunate incident and I want to suggest an alternate course of action that you may wish to consider.

Mr. Speaker: The first thing I want to say is that the Chair appreciates very much the manner in which all hon. members in the Chamber this morning have dealt with what is clearly a painful and difficult matter. That is very much appreciated.

Perhaps I do not need to say this, but I intend to say that the expressions of support for the Chair, and the officers of the Chair, the Deputy Speaker who was in the Chair last night, are also very much appreciated. They do not come as a surprise. I think I know as well as anyone in this Chamber the very high regard that this House and its members have for the Chair and for this institution.

The hon. member for Port Moody—Coquitlam has expressed his apologies and regret. He has also said that he holds this place, and the members in it, in highest esteem. This does not come as a surprise to us. The hon. member for Kamloops has, of course, made a painful, and as I say, a difficult decision with dignity and frankness.

I am conscious of the fact that this matter ought to be dealt with as soon as possible. The motion is to bring the hon. member to the bar. Clearly there is a *prima facie* case in this matter and I would ask hon. members to bear with me, at least for an appropriate moment, because I am going to consider exactly what our practice has been in the past when there has been a motion to bring a member to the bar. I shall try to clarify that and return to the House as soon as possible.

In the meantime, we shall proceed with Routine Proceedings.

The hon. member for Kamloops, on a point of order.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on a point of order, part of the difficulty of last evening arose when there was a breach from the tradition, in my judgment, of the way Private Members' Hour was handled.

I simply want to seek guidance more than anything. I was unfortunately ill when this incident took place and was not in the House when the Whips and so on got involved in Private Members' Business. Perhaps the more appropriate thing to do would be to ask my colleague from Winnipeg Transcona, who was watching the proceedings more carefully than I, to make a few comments at this point. I see this as something on which we need some guidance from the Chair.

Mr. Speaker: I am fully aware of what the hon. member is raising, but I am not at all sure that this is the most appropriate time to engage in this. I get some sense that, in view of everything, there is not a disposition in the House to get into a debate on it.

Hon. members know that a vote takes place when both the Whips come in. That sometimes means that the Whips come in earlier than the expected time for the bell. I understand that is the point of concern for the hon. member. However, I would ask hon. members to leave this matter, at least for the moment, and perhaps, with some discussion, we can return to it.

I think it would be appropriate to proceed with Routine Proceedings.

The hon. member for Winnipeg Transcona.

Mr. Bill Blaikie (Winnipeg Transcona): On a point of order, Mr. Speaker. I understand your appropriate desire to have time for reflection on what to do. I am not trying to delay that. But if it is your judgment that we should not deal with this other issue, which in no way bears upon your judgment on what has already been before you, and we should deal with that at another time, then that is fine with me. But I would like to know what you suggest as being that other time. I think there is a legitimate point of order to be dealt with here as to the role of the Whips in voting on Private Members' Business. I think that is a legitimate concern and separate from the issue which is now before you.

• (1050)

Mr. Speaker: As I indicated, I know that it is a concern to some members. However, given the incident last night and what has taken place today, the Deputy Speaker clearly ruled on that last night. It may have been part of the reason for hon. members' concern, but that has been ruled on.

What I am suggesting is that if the members want to change the rule or change the practice, we might find a more appropriate way to discuss that. I, of course, am always prepared to listen to hon. members on the matter.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I am not sure of this but I suspect part of the problem that we are facing in the House at the moment is that the debate that we are about to enter into after Routine Proceedings is completed is a debate in which the member for Port Moody—Coquitlam is a central player. Therefore, he is obviously concerned, and I am sure his party is, as to what role he can play in that.

May I suggest a possible solution for the Speaker. We can proceed with Routine Proceedings, but just before calling Orders of the Day, we can suspend to the call of the Chair to allow the Chair to deliberate. That would

prevent anyone from getting into a situation that might be very difficult for all of us.

Mr. Speaker: The hon. parliamentary secretary has I think offered some assistance to the Chair. I was hoping that by the end of Routine Proceedings I could return, but I may be a few more minutes. In any event, I think the appropriate thing to do now is to proceed with Routine Proceedings. I shall return to the House as soon as I can.

ROUTINE PROCEEDINGS

[*English*]

STANDING COMMITTEE ON FORESTRY AND FISHERIES

PRESENTATION OF REPORT BY UNITED FISHERMEN AND ALLIED WORKERS UNION

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I realize this is somewhat unusual, but I am seeking the unanimous consent of the House to table a document presented by the representatives of the United Fishermen and Allied Workers Union to the fisheries committee where it was very well received by representatives of all parties.

The problem on the west coast—

The Acting Speaker (Mr. Paproski): Is there unanimous consent to have the hon. member present a document?

Some hon. members: No.

The Acting Speaker (Mr. Paproski): I regret there is not unanimous consent.

* * *

[*Translation*]

PETITIONS

GUN CONTROL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have a petition concerning firearms from people in Ottawa, Gloucester, Cornwall and Summerstown. The petitioners humbly declare that the accessibility of weapons is a critical factor in murders, accidents and suicides and that many types of weapons which are easily available in Canada are not needed for legitimate purposes like hunting and competitive shooting.

For these reasons, the undersigned ask Parliament to legislate now so that no one with a criminal record can own a firearm.

[*English*]

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I am pleased to rise under Standing Order 36 and table a petition on behalf of several Canadian farmers who are upset, with reason, with the low commodity prices for agricultural products in Canada.

The petitioners are asking this government to provide assistance this year, not next year.

JUSTICE

Mr. John Reimer (Kitchener): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition on behalf of 157 citizens in the Kitchener-Waterloo area. This petition is in support of the parents of Nina DeVilliers. It highlights some serious deficiencies in the criminal justice system, that crimes of violence against women and children are intolerable and constitute the most abhorrent crime society faces. Our laws, sentencing, bail hearing processes and parole provisions do not appropriately reflect society's abhorrence of violence to protect society from such offenders.

Therefore, the petitioners call upon Parliament to amend the Criminal Code, Bail Reform Act and the Parole Reform Acts accordingly.

RURAL CANADA

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have a petition signed here by over 200 people from communities such as Dauphin, Manitoba, Red Deer, Alberta, Sackville, Nova Scotia, Quesnel, B.C. and Alida, Saskatchewan.

These people have watched the erosion of the rural way of life in fishing, farming and forestry communities around the country. They call on Parliament to support Canada's rural way of life, to support the maintenance of rural post offices and to reject the Conservative government's agenda of cutbacks and closures.

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am pleased to stand in this House today to present this

petition with respect to national standards in education, recognizing obviously the provincial responsibility in education and its constitutional responsibility as well.

[*Translation*]

This petition is from people in Quebec and Ontario who want the various sectors of Canadian society to dialogue with the national federal government and the provinces in order to try to articulate a policy that would make us much more competitive and that could meet Canadians' needs throughout the country in all fields of education.

[*English*]

I must add that this petition and similar feelings have been voiced by other Canadians in other parts of the country, including my own province of Manitoba.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I suggest that all questions be allowed to stand.

The Acting Speaker (Mr. Paproski): Shall all the questions stand?

Some hon. members: Agreed.

[*English*]

SUSPENSION OF SITTING

The Acting Speaker (Mr. Paproski): Is it agreed that we shall suspend the House to the call of the Chair?

Some hon. members: Agreed.

The sitting of the House was suspended at 10.58 p.m.

SITTING RESUMED

The House resumed at 11.27 a.m.

Mr. Speaker: Before proceeding further, I want hon. members to understand very clearly the procedure in this particular case. The hon. member for Parkdale—High Park has proposed a motion. I have retired and discussed the motion with him and it will be, as I understand it, changed very slightly to call the hon. member to the bar to receive a reprimand from the Chair.

At that point, if the Speaker rules that it is a *prima facie* case, the House is entitled to debate the motion that is before it, that is the motion of the hon. member. If the House approves that motion then it is incumbent upon the Chair to call the hon. member before the bar at a certain time to receive the reprimand.

The important thing to remember is that the hon. member has proposed the motion and the punishment is the reprimand. The House then decides on whether that is the punishment the House wishes the Speaker to exercise.

If there is any doubt about the procedure I would like to hear those doubts.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, it is a doubt because certainly in my memory I do not recall any of us having been through this before.

May I just explain the procedure as I understand it. The Speaker would rule. If the Speaker rules that it is a *prima facie* case of privilege, the hon. member would introduce his motion, which is then debatable and amendable and should that motion pass, whatever the motion ends up being, and assuming it were to be the motion to call the member to the bar the member would then appear before the bar to hear what in effect is the Speaker's ruling.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, you raised the issue of punishment. Is that a second motion after the examination before the bar or is it inherent in the original motion and once it is voted on then that is what follows? The passage of the motion in the form which you have suggested, does that specify the punishment and that is what prevails? That is where the confusion came in. You made a couple of remarks I was not sure of.

• (1130)

Mr. Speaker: The hon parliamentary secretary stated the position as succinctly as I can. Let hon. members be very clear on what we are doing. The motion is to call the member before the bar and to receive a reprimand from the Chair. If that is passed, the hon. member will be called before the bar and the Chair will in this place, in front of all of the hon. members' peers, deliver a

reprimand. That is what will follow, if in fact the House supports the motion. Is that clear?

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, in light of the sincere apology that the House heard from the hon. member and the sincere apology from the House leader and probably my original motion not giving clear direction to the Chair, I would like to move:

> That the hon. member for Port Moody—Coquitlam be called to the bar of the House and be admonished by the Speaker.

Mr. Speaker: There is no doubt in my mind that this is a *prima facie* case of contempt. The motion is acceptable and I propose it to the House.

It is moved by the hon. member for Parkdale—High Park and seconded by the hon. member for Renfrew—Nipissing—Pembroke:

> That the hon. member for Port Moody—Coquitlam be called to the bar of the House and be admonished by the Speaker.

Mr. Hawkes: Mr. Speaker, the form of the motion comes as a bit of a surprise to us on this side of the House. I am having just a little bit of trouble with it.

I heard earlier this day the precedents in the British House of Commons for an incident not dissimilar which involved a suspension from the chamber for I believe it was a period of a week. I believe the mace was damaged. It is my understanding at least from other people that the mace was damaged and the member was responsible for the repair of the mace.

I read earlier this day a letter from a constituent from Melville, Saskatchewan, not someone I know, expressing their thoughts and feelings in three pages of what they witnessed in the House last evening. In my remarks last Friday I spoke of this Chamber as the highest court in the land.

Certainly the member is a member of the bar and in his home province he is an officer of the court. Early this morning I asked a colleague of mine who is a lawyer what would happen if a similar incident occurred in a court. I was informed that jail would be the immediate automatic outcome with the duration of that incarceration to be determined at a later point because the contempt would be held to be so grievous.

Canadians are indeed very concerned about the decorum in this Chamber, very concerned about this democratic institution. I do not want to pretend on behalf of the government that I am speaking for the government or for all members on my side, and I do not intend to move an amendment. I would urge some members of the House to rise and to consider whether or not the protection of the institution is sufficient if the punishment is an admonishment.

With all the formality perhaps it is. Perhaps the public embarrassment is sufficient. But I think there is a kind of fairness principle which exists in Canadians from coast to coast. Sometimes they think that we are a body, we are a group, that gives ourselves privileges that the rest of the world does not have. They ask themselves if they had assaulted an officer of the court what would happen to them. What happened in this Chamber last evening was an assault on the Sergeant-at-Arms of this the highest court in the land.

I just have a feeling that out there in the constituencies across the country there will be some sense of disappointment with an admonishment for an act which is so clearly captured on television and does indeed involve a physical assault on the person of the Sergeant-at-Arms of the House.

I do not for a minute think it is appropriate for me as an officer of this Chamber to move an amendment to a motion which I am sure the member has well considered, but when I spoke earlier the motion without the amendment was one I thought was appropriate to the circumstance for the message that it would send.

My heart goes out to the member who in a moment did something that I am sure he sincerely regrets and certainly his comments were of that nature.

The institution is a very important one and at a very important time in our history some kind of process that would be more readily understood in the country, somewhat beyond a simple admonishment, my heart tells me would be more appropriate to the circumstances.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I think this House and Canadians in general take no pleasure in the fact that it has come to this—that we must now reprimand one of our colleagues. I think we all wish the incident had not occurred.

However, Mr. Speaker, although our ideologies may differ, I believe that respect for the institution lies at the very core of the democratic system in this country. For those who object to the rules of the game, there is always the democratic solution. That is the only weapon we wish to use, and I think that is part of the traditions and values of this country. Whatever our reservations may be about institutions, I think it is incumbent on us to respect this institution, because otherwise the entire structure will collapse.

It is the primary source of law and order. Mr. Speaker, of course we regret we must support a motion like the one tabled today. We bitterly regret this. Despite all the differences that exist between our various ideologies, our respect for the institution, for democracy and for the rule of law requires that we act thoughtfully and effectively in this case. I bitterly regret that we must vote on this kind of motion, but I feel that, if our fellow citizens are to have any respect for our institutions and for the rule of law I must vote in favour of the motion.

[*English*]

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I have a couple of brief comments to make on what has become a very unfortunate incident which occurred here last evening. I listened to all sides of the point of privilege as well as the member's statement.

I was here as well, Mr. Speaker, and I must say I reviewed the tape. What I did not see was the member just walk down and touch the Mace. I saw the member charge down and grab the Mace with some physical force.

I think this is such as tremendous breach of etiquette in this House it by no means should be allowed to pass with a slight tap of the wrist. That is all I have to say.

• (1140)

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, I must say I was shocked to see what happened yesterday.

However, a few weeks ago this House witnessed events and language which in my opinion were far worse than what we saw yesterday. The language was used in referring to a woman, as we all know, and the word translates as *plotte*, which is a better translation of "slut" than *traînée et putain*. In any case, the latter term is not exactly idiomatic, and the correct term is extremely vulgar in Quebec.

My point is, Mr. Speaker, that at the time, no motion was tabled. There was no movement to reprimand the member in question, while this morning, people are making a big fuss. I agree we must have decorum in the House, and perhaps one way to achieve this is by reprimanding the hon. member directly, and that is why I support this motion, Mr. Speaker.

[*English*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, it is very difficult for me to put myself into the feelings or the scenario that existed at the time of this incident. I understand it is very serious and I also understand that we must respect the decorum and the traditions of this House.

I am particularly concerned right now at what I see to be a tendency to place all the blame on an individual. This incident is the culmination of what I believe is a progression, at least since I have been here. I believe both sides of the House and all parties and most members have been engaging in conduct which surely has not been the kind of conduct most beneficial to the image of this House.

Surely you, Mr. Speaker, who witnessed all of these incidents over the past few years must realize that we are the last people perhaps to tell you of how decorous we have been in our own conduct.

It seems to me as if I have suddenly arrived on another planet. There are people from some parties whom I have seen making certain gestures, who have said certain things, and all of a sudden today are white and pure as the snow. This is appalling. If this means that we are going to have decorum, if this means we are not going to have from both sides of the House the name calling, which I am not going to repeat because I think the names are disgusting, and if this means we are going to have a better functioning Parliament that all Canadians can believe in and can be proud of, then so be it.

I would just like to address myself to the question of a tap on the wrist. I am embarrassed by the incident. I believe my hon. colleague is embarrassed by the incident. I believe what is proposed is a serious gesture on the part of the Speaker. It is not the time right now to settle scores. It is not the time right now to gang up on anybody. Right now is the time to put to rest all of the foolishness we have been doing for the past few years. It

is time for us all to turn over a new leaf and finally respect this House.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I do not want to take up too much of the time of the House, but I do believe that what we are discussing this morning is extremely important.

What the previous speaker said truly astonished me, Mr. Speaker, and I would like to say very briefly that the incident we are discussing this morning is not just a matter of decorum. During debate, a member will occasionally use certain terms, but this debate is about the authority of this House, the authority of the Chair and the Mace. I think this is a very important matter. If we want to continue to express ourselves freely, and if we want the Chair to make decisions, we must respect the authority vested in the Mace and the Chair in this House.

Mr. Speaker, there is another equally important question we discussed not long ago, which we will have an opportunity to discuss in the days to come and I am referring to the question of decorum. In this case, however, I think we should concentrate on the issue of authority as represented by the Mace, and on what the Chair in the House represents, to guide us in future debate.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I was here in the House when the incident occurred not far from my seat. I think it is most regrettable, and I agree with those members who believe that we cannot go on as if nothing had happened. The Speaker of the House had decided to adjourn the House. He was leaving, while the Sergeant at Arms carried the Mace, and the hon. member actually attacked the Mace, the symbol of order in this House.

Perhaps I may say that last night's incident, unfortunate though it was, is no reason to forgive previous incidents.

[*English*]

We are not forgiving in this House of other members who may have abused the privileges of this House either by word or by act or by gesture.

I would like to tell the member from Chambly that I agree with him that none of us are pure and white, but I do not forget and I do not think he does either that other members at one time in this House did similar things. We do not forget but we do not forgive either.

Yesterday was, in my opinion and to my way of thinking, a rather hard attack on basic order of this House. It was a charge on the symbol of order in this House. As much as I may deplore the gesture that was made, I can understand the frustrations and I can understand the difficult situation we were in last night because of that vote which was not expected. There were few members in the House. Many of the people did not have time to come here in response to the bell which was short. I understand that. The issue was an important one for many of us and I sympathize with the members who could not be here because of the shortness of the bell.

Nevertheless, I do not excuse and I do not forgive anybody in this House who has the kind of behaviour that attacks the symbols of this House and, as I said at the beginning, I am as embarrassed as anybody in this House with this incident and I deplore this type of behaviour.

Mr. Chuck Cook (North Vancouver): Mr. Speaker, I rise in defence of the member. Everyone here seems to have forgotten what caused this incident and how it came about that he was so incensed that he lost his cool, charged toward the Chair and committed an act which all of us deplore. I believe he should be admonished for that, but I also believe that the mitigating circumstances should make that admonishment very gentle.

The Deputy Speaker in the Chair last night, with four people standing and waiting to be recognized, chose to shut down the House. I think the Speaker—

Mr. Speaker: Just a moment. That is getting to be very close to an attack on what the Deputy Speaker did last night.

• (1150)

The Deputy Speaker made a ruling. This whole case is about whether, when a Speaker has made a ruling, anyone has a right to challenge it, whether it be by debate or by extraordinary behaviour as has been the case here.

I certainly will hear the hon. member on a plea of mitigation. The hon. member must be very careful not to attack the ruling the Deputy Speaker made last night.

Mr. Cook: Mr. Speaker, I will apologize if that was the way the remark was interpreted by the Chair.

The point I was making is what caused the member's conduct. It was four people waiting to be recognized who were not recognized.

The Speaker of the House of Commons must be the master of the House of Commons, but also the Speaker of the House of Commons is the servant of the Commons. Last night we had an incident in which at least one member was so incensed by what took place that he lost his temper and did something he will regret for the remainder of his life. It was improper. He must be admonished but it must be a gentle admonishment.

Part of the reason for the loss of his temper was the action of two other officers of the House of Commons, the chief government Whip and the chief opposition Whip. In the government's case, members were informed that there would be a 15 minute bell and the vote would be taken. I believe they both should be admonished as well, for their actions in ignoring the rights of members for 15 minutes. They did not allow sufficient time.

There were at least two cabinet ministers and eight members who expected that 15 minute bell and did not get it. That, I am sure, will be raised in the individual caucuses later.

In terms of the member, I understand his loss of temper. I deplore what he did, but I think we should be very, very careful as to how strong an admonishment he gets for attempting, in his view, to do his job for the misguided people of Port Moody—Coquitlam.

Let us not forget the other factor involved here. I was here the night that four members of my own party charged the Chair, stood in front of the Chair waiving their fists and stayed there for some time. The Speaker was a very strong man that night and I admired him tremendously. He stood there and took it and kept yelling for order until things finally settled down. That incident did not result in members being called before the bar and it was certainly as serious as the incident last night, in my view.

I ask the Chair, with the greatest respect, to make that admonishment fairly light in terms of the history of unorthodox conduct in this place and in terms of the mitigating circumstances of the man simply losing his temper totally over what had taken place.

Mr. Joe Comuzzi (Thunder Bay—Nipigon): Mr. Speaker, let me state at the outset that I was also in the House last evening when this incident occurred. The member for Port Moody—Coquitlam and I were both on our feet trying to be recognized by the Chair when the decision was made to adjourn the House.

I would just like to make these succinct comments with the thought of trying to assist the Chair in its decision. The thought that permeates my mind is the dynamics of the moment. It all happened in a fraction of a second. There was no pre-thought about the incident. The House had adjourned and the member was obviously upset and within 30 seconds it was all over.

I would ask that the Chair take those comments into consideration when it is making its decision. I am sure the member seriously regrets it. There are incidents that sometimes we would all like to forget. I would use the charity of the House in admonishing this member.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I simply want to add a few brief comments.

First, it is a most regrettable incident. It is an embarrassing situation for the House of Commons, for all members and for all Canadians.

I think that there are two issues, however, and we must not get them confused. One is the challenge, if you wish, or an attack on the authority of the Chair. The other one, of course, is inappropriate behaviour.

If we are going to deal with the inappropriate behaviour, I submit we cannot forget the inappropriate behaviour that has occurred within the last month. I am referring to the sexist comments that were made in this House to the member for Hamilton East and the racist comments that were allegedly made to the member for Windsor—St. Clair. Let us try to keep the two issues separate.

Concerning inappropriate behaviour, it seems to me we have to look at the other issues as well. Otherwise, we are not being consistent. We are being, in fact, unfair.

My personal preference would be that the response would be sufficient to remind members that this is inappropriate, this cannot be tolerated and will not be in the future. Hopefully, it will not occur again. But should that be the case, it will be dealt with in the most severe way possible.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I do not suppose there is a member here in the House who does not regret the incident as it transpired last night.

We are fortunate here today in that we have a situation where all of the material facts are either agreed to or apparent on the face of the record that we have here in the House. In addition, the hon. member involved has himself forthrightly addressed the matter already and has even put forward an apology in a very sincere fashion.

It is regrettable, but I suppose that we must, from time to time here in the House, stop our ordinary business to address matters involving our own conduct. In my view, the proposed procedure is adequate to do two things. One, it will address the incident itself adequately and expeditiously. Second, it will provide a precedent which may become useful to members here in the House in the future.

I would like to encourage members to get on with this matter now and address the question.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I also wish to see us get on with the issue.

I feel I have to stand and add a couple of comments. I would ask the indulgence of my colleagues while I do so. Obviously, I join with them in regretting the incident. I have to say that over the nearly three years that I have been here I have always admired the hon. member for Port Moody—Coquitlam. I see him as a very energetic and intelligent, committed member of Parliament.

I look at the incident last night and, quite frankly, a phrase comes to my mind: "There, but for the grace of God, go I". In that sense, I hope I would never do that. I hope no hon. member would ever do that, but who knows? We are all human. As the hon. member from Vancouver said a few minutes ago, these things happen.

Nevertheless, Mr. Speaker, there are two or three points that I want to make that I think are very germane. This provides an opportunity to make points that I have wanted to make for some time, since I came to this place.

I think there is a difference between the incident that took place here last night and the more recent incidents that involved the use of language that is utterly and completely reprehensible in this place with respect to other members.

Nobody could be more combative in debate, perhaps, than I can. Nobody enjoys heckling any more than I can. But the fact of the matter is there are people watching out there. People are losing respect for this place because of the kinds of things that are going on here.

Let it be clear that when we use inappropriate language back and forth across this House, it is doubtless provoked by one to the other, and back and forth. This happens sometimes.

What took place here last night was an action taken against an officer of the House who did nothing to provoke that incident. What took place here last night was a physical action as opposed to calling somebody something.

Let us not wash over this fact, much as we all might like to say: "Let's just forget the whole incident". I am sure the hon. member understands my motivation in making the comment. We cannot wash it away. When something wrong is done, it must be brought to account.

I would hope that we would use this, however, as a launching pad because of the gravity of this situation. I was bothered by the incidents that took place in the last couple of months and referred to by the hon. member for St. Hubert. I was bothered by the fact that nothing happened with respect to those incidents which to me were unacceptable, though perhaps not at the same level of gravity. I have been bothered by other things I have seen here. I have been bothered by the fact that one cannot get up and call someone a liar in this place, but it is okay for someone to stand in their place and mislead, distort and twist information. That has always seemed kind of perverse to me, that it would seem one can lie here but one cannot call someone a liar.

• (1200)

I suggest and I would urge that perhaps you might use your good offices, Mr. Speaker, to urge an appropriate body like the Standing Committee on Privileges to take a look at incidents like these. I know there was a committee set up, I believe it was a committee of female members of this place, to look at certain aspects. I think we should get on with dealing with those things because we are all negatively impacted by those things. They reflect badly on Parliament and on government. It is one of the reasons the public is losing its respect for politicians and public figures who, from what I have observed, are people who are here because they want to serve Canada, no matter what side of the House they are on.

Therefore, we must deal with the reality of this situation, though we do not wish to, and we must condemn the action, as we must condemn all other actions of a similar nature. Hopefully, we will not have to be faced with them any more.

I urge that we do not let it drop there, that we take up these issues and that we do something about making this place a place that will earn the respect of Canadians.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Thank you, Mr. Speaker. Very briefly, I must say that I deplore the behaviour of the member for Port Moody—Coquitlam. For days and even weeks, we have been talking in the House about improving the behaviour of certain members. The behaviour, or rather misbehaviour, is often vocal, but last night, it became physical.

We have an incident that really must be dealt with. This place, the House of Commons, is where the future of the Canadian people is discussed. We talk here about the life and quality of life of all Canadians and must do so properly and professionally. Moreover, we must set an example.

Every day, children and schoolchildren visit us, so our behaviour is very important. We have professional colleagues in the community who watch the debates on television or who come here to see us. We are here to debate and discuss different ideologies and points of view, but not to react violently in word or deed.

Mr. Speaker, since we have a very specific, clear and obvious example, I believe that it should be dealt with immediately in order to set an example and serve notice to all other members in the House so that we can continue to have a proper healthy dialogue in the House of Commons.

[*English*]

Mr. Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Motion agreed to.

Mr. Speaker: It is my duty in accordance with the motion to order the hon. member for Port Moody—Coquitlam to appear at the bar of the House this afternoon at three o'clock.

GOVERNMENT ORDERS

[*English*]

YOUNG OFFENDERS ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-12, an act to amend the Young Offenders Act and the Criminal Code, as reported (with amendments) from a legislative committee.

SPEAKER'S RULING

The Acting Speaker (Mr. Paproski): Before we commence, we have a ruling. There are 27 motions set down on the Notice Paper for the report stage of Bill C-12, an act to amend the Young Offenders Act and the Criminal Code.

Motions Nos. 1 and 2 were ruled out of order in the legislative committee. In doing so the chairman stated that the proposed amendments went beyond Bill C-12 by attempting to amend the parent act, namely the Young Offenders Act itself.

I fully concur with the chairman's ruling that a member can only amend a specific clause of a bill referred to it, the committee, by the House. Citation 698, paragraph 8(b) of *Beauchesne's Parliamentary Rules and Forms, Sixth Edition* provides:

> An amendment may not amend sections from the original Act unless they are specifically being amended in a clause of the bill before the committee.

Motion No. 3 will be debated and voted upon in combination with motion No. 5. An affirmative vote on motion No. 3 will obviate putting the question on motion No. 5. A negative vote on motion No. 3 will require that the question be put on motion No. 5.

Since motion No. 6 is identical to motion No. 5, it will not be selected.

Motion No. 4 was moved, debated and negatived in the legislative committee.

There are minor differences between this motion and the amendment moved in committee, but they are not sufficient to overcome the prohibition in the Standing Order. Therefore, under the authority of Standing Order 76, subsection (5), I will now not select motion No. 4 for debate.

Motions Nos. 4(a) and 7 will be grouped for debate. An affirmative vote on motion No. 4(a) will obviate the need to put the question on motion No. 7. A negative vote on motion No. 4(a) will require the question to be put on motion No. 7.

Motions Nos. 8 and 9 are acceptable. They will be grouped for debate. An affirmative debate on motion No. 8 will obviate the need to put the question on motion No. 9. A negative vote on motion No. 8 will require the question to be put on motion No. 9.

Motions Nos. 10, 11, 12 and 13 will be debated and voted upon separately.

Motions Nos. 14, 15, 16 and 17 will be grouped for debate and a vote on motion No. 14 will be applied to motions Nos. 15, 16 and 17.

I have serious reservations with respect to motion No. 18. In my view, it is outside the scope of the bill and, in addition, it would require the expenditure of public moneys which only the Crown may authorize through a royal recommendation. Therefore, a new clause by a private member creating a charge on the public purse is not acceptable. It would infringe upon the financial initiative of the Crown. In this connection, I would refer the hon. member to chapter 15 of Beauchesne's sixth edition on financial relations between the Crown and Parliament.

Motions Nos. 19, 20, 22, 24 and 26 will be grouped for debate. Each of them deletes a clause of the bill. They will be grouped for debate, but each will be voted upon separately. Since motion No. 21 is identical to motion No. 20, motion No. 23 is identical to motion No. 22 and motion No. 25 is identical to motion No. 24, they will not be selected.

Therefore, I will recapitulate for the hon. members for the convenience of the House. Motions Nos. 1, 2, 4, 6, 18, 21, 23 and 25 will not be selected.

The following motions are in order and will be debated and voted upon, as follows: Motions Nos. 3 and 5 are grouped for debate. An affirmative vote on motion No. 3 will obviate the need to vote on motion No. 5. A negative vote on motion No. 3 requires the question to be put on motion No. 5.

Motions Nos. 4(a) and 7 will be grouped for debate. An affirmative vote on motion No. 4(a) will obviate the need to put the question on motion No. 7. A negative vote on motion No. 4(a) will require the question to be put on motion No. 7.

Motions Nos. 8 and 9 will be grouped for debate.

• (1210)

An affirmative vote on motion No. 8 will obviate the need to put the question on motion No. 9. A negative vote on motion No. 8 will require the question to be put on motion No. 9.

Motions Nos. 10, 11, 12 and 13 will be debated and voted upon separately.

Motions Nos. 14, 15, 16 and 17 are grouped for debate. A vote on motion No. 14 will be applied to motions Nos. 15, 16 and 17.

Motions Nos. 19, 20, 22, 24 and 26 will be grouped for debate and each will be voted upon separately.

I will now put motions Nos. 3 and 5 to the House.

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 3.

That Bill C-12 be amended in Clause 2 by striking out lines 32 to 38 at page 2 and substituting the following therefor: "young person, and the court shall order

(a) that the young person be proceeded against in youth court, or

(b) that the young person".

Motion No. 5

That Bill C-12 be amended by deleting Clause 2.

He said: Mr. Speaker, I would just note in passing that it is somewhat ironic that my motion is the first after this morning's debate. I have nothing to say about this

morning's debate except to say that I listened to my colleagues very carefully and what they had to say.

Getting on with the justice amendments. This is the Young Offenders Act. It has been around for a long time. There are amendments to the Young Offenders Act. These amendments have been around a long time. They were around even before prorogation of the House. They have been brought back, and we have been waiting and waiting and finally they have arrived. I am pleased that the government has brought them forward because I believe the Canadian public and my constituents I know want action in matters to happen in juvenile matters.

There has been an increase in juvenile crime in the country. There have been some real concerns about the alleged weaknesses of the Young Offenders Act. There is a great concern in my riding. A few weeks ago there was a meeting on juvenile gangs. The public is really interested in that and it wants us to respond to that.

To deal with the specific amendments let me say, before I go into that, generally what the act does. I think it is important that the members know the three principal objectives of the act, just to bring people back to what this act is doing. The act has three principal objectives, that is the government's amendments to this bill, C–12, to make it easier to transfer a youth to adult court. The youth can be transferred up to adult court and be treated as an adult. That is a rather unusual procedure, if I might say. It is a harsh procedure and that is in this bill. That is what I am going to deal with in proposed amendment 3 and proposed amendment 5.

The second objective of this act is to increase the penalty for youth convicted in youth court of first and second degree murder from three years to five years less a day. Part of the debate today will deal with the murder provision, over which there has been a lot of press and a lot of objections and difficulty.

The third principle of the government's bill is to permit earlier parole eligibility for youths transferred to adult court on murder charges. The adults were getting the paroles and the youths who were transferred and being treated like adults were not being eligible for parole.

Therefore that is the thrust of the government's Bill C–12. These are the first amendments. What I am trying to do with the first amendment is this. I am really addressing a principle and let me put the principle like this. Although he speaks adequately for himself, the justice critic for the Liberal Party, my friend from Cape Breton, expressed in committee, and we believe, that you should treat children as children in the criminal justice system. This is the period to reach them. This is the period when you can rehabilitate them and stop them from being adult criminals. If you are ever going to reach them, this is the place.

When the Young Offenders Act came in a number of years ago, what happened was that we did have a principle in this bill.

It is a very forward–looking bill, a very progressive bill, and the principle in the bill was that we would treat juveniles as juveniles. The problem was, having done that, we never provided facilities for that.

My first amendments, therefore, tackle the notion of transferring kids to adult court. Amendment No. 5 wants to abolish that provision.

Amendment No. 3 is somewhat more difficult and more complicated. My amendment was in line with the the Canadian Council on Children and Youth's recommendation. It did not favour, in transferring children to adult court, the paramountcy of the principle of protecting society. It was felt that there should be a balance in here and we should also consider the interest of the child as well.

The government's approach to affirming the principles of rehabilitation in the test for transfer will affect only those who are eligible for transfer. The government's wording implicitly assumes the young person is guilty as charged and is in need of rehabilitation. If the government is serious about affirming the principle of rehabilitation it should do so in the statement of principles. I believe it is set out in section 3 in the Young Offenders Act and that is where it should put it.

If I might sum up, my amendments here have the thrust of tackling the major issue and that is the issue of having these transfers. Why do we not just deal with juveniles as juveniles and provide tough juvenile penalties? We should not be afraid of providing tough penalties for them, but should deal with them as juveniles. Let us not make them adults and put them in a prison which

is a school for crime, let us deal with them now. That is what these amendments are directed at.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I would urge the members of the House to turn down both these amendments. I think perhaps they are as important as any amendments that we will be looking at today and they go to one of the very important aspects of this bill, and that is the question of transfer of youth from youth court to ordinary court or sometimes referred to as adult court.

The amendments by the member for the New Democratic Party question if a transfer should be considered ordinary and if a transfer is going to be considered, under what circumstances. I have to disagree with the comments he made. I think the bill is clear that the objectives of the Young Offenders Act have been continued. I believe they are stated unequivocally in this bill. I believe as well that it is very clear that the vast majority of cases committed by young people will be dealt with in youth court.

However, there have been some problems with respect to the seriousness of crimes and under what circumstances we might want to consider a transfer. Provincial attorneys general have brought to the attention of the government the unequal interpretation across the country of the present transfer provision. There are concerns among members of the public that they want to be assured that in circumstances dealing with very serious crimes the protection of the public is paramount. That is what the present section, the present proposal of the government, intends to do.

It says that we tried to reconcile the benefits of keeping a youth within the youth system, but we also have to reconcile that with the protection of the public. The government's amendment makes it very clear that where you cannot reconcile the two, the protection of the public is paramount.

Many members will disagree with that and say: "You know, there are other considerations you should take. You should never consider transferring an individual to ordinary court". But there it is, the government is saying the protection of the public is paramount. I think most Canadians can live with that and for that reason I would urge the House to turn down both these motions by the member for the New Democratic Party because I believe they attack that principle.

• (1220)

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to say a few words about both of these suggested amendments.

I have been listening to the hon. parliamentary secretary and I tend to agree with some of the points he made with respect to amendment No. 3 which states some of the objectives on this bill and what we hope to achieve and certainly the rehabilitation of the offender is important and the safety of the public is very important.

In that regard I do not think amendment No. 3 really offers that much. It may be more of a problem.

However, with respect to amendment No. 5 I feel very differently about that. I think that this bill is a bad bill. I do not think it comes anywhere near doing what we on this side of the House feel should be done in light of rising youth crime in this country, and the concern that the citizens have.

On the other hand, I do not think it does justice to the offender. I think that what we are saying is that the terms, the sentences, should be longer. While they are longer there should be something done to rehabilitate and to train the offender because we are talking about young people. We are talking about young people according to this act as it presently states from the ages of 12 to 18.

If we do not rehabilitate these young people, we are going to have them re-enter our criminal system later on. We are going to have them re-offending. We are going to be putting them in adult institutions again and again.

What we want to do is try to rehabilitate these young people at a formative age. In that regard I think the minimum age on the young offenders act is no longer applicable. I think 12 is too old to really start rehabilitating some of these young offenders. I think we have to look at the age of nine. In light of our society and in light of the fact that there are a great many of our children who are just out on the streets at all times, we have to be able to deal with them. We have to be able to take these young people at an early stage.

At the same time we have to be able to rehabilitate them. We want to do something to get these people on the path of being good and constructive citizens.

The other feature as was mentioned by the parliamentary secretary is the transfer provisions. There can be an application to transfer an individual from the youth court to the adult courts.

Then, if that application is made and approved, the young offender can in turn appeal that and have it moved back to the youth court.

This whole process could take up to two years. It is counter productive. We should have one youth court, quite probably and realistically, combined with the family court to deal with all of these issues.

Family courts at the present cannot deal in jury trials, but that can be changed. We need a continuity in this area where we are talking families and young offenders because one quite often is part of the other.

I feel this bill does not deal with that. All we are doing is papering over the problems in our society and the anxiety faced by our citizens, particularly in our urban communities.

I would like to offer my support to the member for Port Moody—Coquitlam on his motion No. 5. I think it goes to the heart of what is wrong with this bill.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I want to support the motion that my hon. colleague has made.

One of the things that people get concerned about is the problem of juveniles and they feel that the solution is an ability to transfer to adult court. I want to recount a couple of my own experiences. Before I comment in more detail, my own background is working with youth and working in correctional systems. I became interested because of an incident involving a young fellow I knew when I was in university. A young man from my home town, as a young teen, was cutting through a lumber yard one night and picked up a splitting wedge. For that he was sentenced to nine months in reform school.

Of course while in reform school he met many youths who were much more sophisticated than he was, much more involved in crime than he was. They convinced him to go on a little trip up through the central part of B.C. There were five kids travelling in the car. Three of them had been sitting in a restaurant, two of whom were hardened kids who had relieved an elderly gentleman of his wallet. The kids were charged with robbery with violence.

They were raised from juvenile court to adult court. They were convinced to plead guilty. They were sentenced to two and a half years in the federal penitentiary. The court asked them to waive their rights to appeal, which they did.

Here is a situation where a boy who had some difficulties had been treated in a manner by the court system that simply guaranteed he would spend his life in crime. It did not rehabilitate him. It did not treat him as a youth or a child. It pushed him into the federal penitentiary system as a young teenager. And what had he done? Very little.

I wrote my master's thesis on the whole business of the Juvenile Delinquency Act and the Juvenile Court and came to the conclusion that it was a star chamber court. Kids could be removed from their homes, sentenced to long periods in reform schools, raised to adult court for offences that would be considered as an adult trivial. The Young Offenders Act made great process in the handling of youth. The principles of the Young Offenders Act are sound. The problem has been that the resources necessary to invest in our youth who are in trouble have not been forthcoming. Because of that there are those people who say: "We have to be more punitive. We have to be more harsh. We have to teach these kids a lesson. Let's make it easier to raise them to adult court. Let's make it easier to send them to adult penal institutions".

The New Democratic Party and I simply say that this is a wrong approach. Let us look at whom we are talking about when we are talking about youth in conflict with the law. A large proportion of them in this country, regrettably, are native. There are indications that in Manitoba as high as 84 per cent of kids in detention centres are native. Native youth in this country have more of a chance of going to jail than going to university. These are the youth we are talking about making it easier to raise to adult court.

• (1230)

In child welfare circles in some jurisdictions 80 per cent of the children in care of the Superintendent of Child Welfare are native youth. There is a tremendous overlap between child welfare, young offenders and poverty in this country.

Resources to help families that have been mainly directed through the Canada Assistance Plan have been curtailed by this government. It has put a ceiling on services under the Canada Assistance Plan in three of the largest provinces, which account for 50 per cent of those in need of child welfare services.

This is how and when we should be putting our resources into working with families on a preventative basis to make sure that youth do not get into trouble with the law later on. If you go into an elementary school, most grade one, two and three teachers will be able to tell you the kids who are going to end up before the juvenile court when they are 12, 13 or 14. They know by their behaviour, by the lack of support they are receiving from their families and by their inability to function in a school environment that these are the kids that are in difficulty.

We choose to ignore that. We do not put in the family support resources that they need. We do not provide adequate income for the families to ensure that these children are not in poverty. We simply wait until the child gets into difficulty. Then we stand and say: "The time has come. We have to teach this kid a lesson. We have to show him that we will not tolerate unacceptable behaviour". Yet we have refused to extend the help and resources that we now know would prevent that child from coming before these courts and becoming a long-term drain on our society.

The overlap of illiteracy and offenders in our adult prison system is well known. We know that 60 per cent to 80 per cent of all adult offenders have a learning disability. Yet we are unprepared to put in resources on a significant basis to deal with this problem in the formative years or even in adult years.

We will not put in place the kinds of programs in our school systems that will ensure youth with disabilities are able to pick up the fundamentals necessary to function in this society: to be able to read at a level so that they can get a job, to be able to handle basic mathematics at a level where they can function in society where they have to understand interest rates, banking and mortgages. We simply are unprepared to put in the kinds of resources. Then four or five years later when this child comes before the youth court we want to say: "It is your fault". We want to make it easier for them to transfer and to say that the paramount thing must be the protection of society. The best way to protect society is to provide the resources to ensure that this child never gets before juvenile court.

I would support the amendments my colleague has made because I think they maintain the principles we want to see in the Young Offenders Act.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, at the outset of this report stage debate I felt a need to address the principle lying behind the discussion of this proposed amendment.

The previous member when speaking quite properly raised the issue of public safety. I think we should all make sure that we stop here and take note that hundreds of years ago, perhaps a couple or three hundred years ago, we in western society made a bargain. We made a bargain with the state that in return for public safety, law and order we would give up some of our own personal liberties, liberties like going out and taking care of retribution or the enforcement of revenge after an offence.

We have turned that over to government. We continue, all of us as citizens, to have a right in the *quid pro quo* here to demand from government that it provide the public safety that we bargained for, that the state holds out it is able to provide for us, and that we all pay for it.

Lying behind the Young Offenders Act is a concept that young people who are not fully matured, who have not formed their minds yet in terms of their relationship to society, should be treated differently. I agree with that. I know all my colleagues agree with that.

What has happened is that in the big city—I represent an urban riding—many of my constituents, many people in metropolitan Toronto, are starting to question the artificiality of the distinction between a 17-year-old and and 18-year-old. They realize that in many cases we have individuals defined as youths, 17, 16, 15, who have embarked on a pattern of crime that is no different in any material respect from the pattern of crime perpetrated by those who might be 18, 19 or 20 years of age. They justifiably ask the government to which they give their taxes: "Where is the public safety? Where is the system that will provide for safety for me and my family in relation to the assaults, the robberies and the killings?" The proposed amendment to this Young Offenders Act provides a mechanism to address directly, head

on, the young offender who may be of significant concern from a public safety point of view.

The way the amendments are drafted permit a judge in a court to deal with differences in region. We have urban areas. We have rural areas and we have a large number of potential native offenders. Each of those categories can be addressed differently by the courts involved.

What my constituents are asking for is a mechanism that will permit the justice system to deal with public safety head on for cases which merit that when the individual happens to be of a young offender age. I speak in a manner that would not support this particular amendment.

The Acting Speaker (Mr. Paproski): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Paproski): The question is on Motion No. 3 standing in the name of the hon. member for Port Moody—Coquitlam. All those in favour of the motion will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 3 negatived.

• (1240)

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 5

That Clause 2 be deleted.

The Acting Speaker (Mr. Paproski): Is it the pleasure of the House to adopt the motion?

Some hon. members: No.

Some hon. members: Yes.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Motion No. 5 negatived on division.

Hon. Gilles Loiselle (for the Minister of Justice and Attorney General of Canada) moved:

Motion No. 4A

That Bill C-12 be amended in Clause 2 by adding immediately after line 17 at page 4, the following:

"16.1 (1) Notwithstanding anything in this or any other Act of Parliament, where

(*a*) an order is made under section 16 that a young person who is under the age of eighteen be proceeded against in ordinary court, and

(*b*) the young person is to be in custody pending the proceedings in that court,

the young person shall be held separate and apart from any adult who is detained or held in custody unless the youth court judge is satisfied, on application at the time of the making of the order, that the young person, having regard to the best interests of the young person and the safety of others, cannot be detained in a place of detention for young persons.

(2) Notwithstanding anything in this or any other Act of Parliament, where

(*a*) an order is made under section 16 that a young person who is over the age of eighteen be proceeded against in ordinary court, and

(*b*) the young person is to be in custody pending the proceedings in that court,

the young person shall be held in a place of detention for adults unless the youth court judge is satisfied, on application at the time of the making of the order, that the young person, having regard to the best interests of the young person and the safety of others, should be detained in a place of custody for young persons.

(3) On application, the youth court shall review the placement of a young person in detention pursuant to this section and, if satisfied, having regard to the best interests of the young person and the safety of others, and after having afforded the young person, the provincial director and a representative of a provincial department responsible for adult correctional facilities an opportunity to be heard, that the young person should remain in detention where the young person is or be transferred to youth or adult detention, as the case may be, the court may so order.

(4) An application referred to in this section may be made by the young person, the young person's parents, the provincial director, the Attorney General or the Attorney General's agent.

(5) Where an application referred to in this section is made, the applicant shall cause a notice of the application to be given

(*a*) where the applicant is the young person or one of the young person's parents, to the provincial director and the Attorney General;

(*b*) where the applicant is the Attorney General or the Attorney General's agent, to the young person, the young person's parents and the provincial director; and

(*c*) where the applicant is the provincial director, to the young person, the parents of the young person and the Attorney General.

(6) A notice given under subsection (5) by the Attorney General or the provincial director shall include a statement that the young person has the opportunity to be heard and the right to be represented by counsel.

(7) Notwithstanding anything in this section, no young person shall remain in custody in a place of detention for young persons under this section after the young person attains the age of twenty years.

16.2 (1) Notwithstanding anything in this or in any Act of Parliament, where a young person who is proceeded against in ordinary court as the result of an order made under section 16 is convicted and sentenced to imprisonment, the court shall, after affording the young person, the parents of the young person, the Attorney General, the provincial director and representatives of the provincial and federal correctional systems an opportunity to be heard, order that the young person serve any portion of the imprisonment in

(*a*) a place of custody for young persons separate and apart from any adult who is detained or held in custody;

(*b*) a provincial correctional facility for adults, or

(*c*) where the sentence is for two years or more, a penitentiary.

(2) In making an order under subsection (1), the court shall take into account

(*a*) the safety of the young person;

(*b*) the safety of the public;

(*c*) the young person's accessibility to family;

(*d*) the safety of other young persons if the young person were to be held in custody in a place of custody for young persons;

(*e*) whether the young person would have a detrimental influence on other young persons if the young person were to be held in custody in a place of custody for young persons;

(*f*) the young person's level of maturity;

(*g*) the availability and suitability of treatment, educational and other resources that would be provided to the young person in a place of custody for young persons and in a place of custody for adults;

(*h*) the young person's prior experiences and behaviour while in detention or custody;

(*i*) the recommendations of the provincial director and representatives of the provincial and federal correctional facilities; and

(*j*) any other factor the court considers relevant.

(3) Prior to making an order under subsection (1), the court shall require that a report be prepared for the purpose of assisting the court.

(4) On application, the court shall review the placement of a young person in detention pursuant to this section and, if satisfied that the circumstances that resulted in the initial order have changed materially, and after having afforded the young person, the provincial director and the representatives of the provincial and federal correctional systems an opportunity to be heard, the court may order that the young person be placed in

(*a*) a place of custody for young persons separate and apart from any adult who is detained or held in custody;

(*b*) a provincial correctional facility for adults, or

(*c*) where the sentence is for two years or more, a penitentiary.

(5) An application referred to in this section may be made by the young person, the young person's parents, the provincial director, a representative of the provincial and federal correctional systems and the Attorney General.

(6) Where an application referred to in this section is made, the applicant shall cause a notice of the application to be given

(*a*) where the applicant is the young person or one of the young person's parents, to the provincial director, to representatives of the provincial and federal correction systems and to the Attorney General;

(*b*) where the applicant is the Attorney General or the Attorney General's agent, to the young person, the young person's parents and the provincial director and representatives of the provincial and federal correction systems; and

(*c*) where an applicant is the provincial director, to the young person, the parents of the young person, the Attorney General and representatives of the provincial and federal correction systems."

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 7

That Bill C-12 be amended by adding immediately after line 17 at page 4 the following new clause:

"3. The said Act is amended by adding thereto, immediately after section 17 thereof, the following section:

"17.1 (1) Notwithstanding any other provision in this or any other Act of Parliament, where an order is made pursuant to section 16 and the young person is proceeded against in the ordinary court, and is sentenced to custody, the judge who sentences the young person may order that the young person serve that sentence in a place of detention for young persons until the young person attains the age of eighteen years.

(2) Where a young person is held in custody in a place of detention for young persons pursuant to an order made under subsection (1), and an application is made to the youth court by the Attorney General, or the Attorney General's agent, the provincial director of

the province in which the young person is held in custody shall cause the young person to be brought before the youth court and the youth court may, after affording both parties and the parents of the young person an opportunity to be heard and if it is satisfied that there are reasonable grounds to believe that the young person should be transferred to a place of detention for adults, order that the young person be transferred from the place of detention for young persons and to a place of detention for adults.

(3) For the purposes of determining an application under subsection (1), the youth court shall consider without limiting the generality of the foregoing,

(*a*) the young person's difficulties in controlling violent impulses to the point of endangering the safety of any other person in the place of detention where the young person is being kept;

(*b*) whether the young person is a psychological threat to other young persons in the place of detention where the young person is being kept; and

(*c*) whether it is in the best interests of the young person to keep the young person in a place of detention for young persons.

(4) Six months before a young person in respect of whom an order has been made under subsection (1) attains the age of eighteen years, a youth court may on application of the young person, the young person's counsel, the Attorney General or the Attorney General's agent, after affording both parties and the parents of the young person an opportunity to be heard, order that the young person's detention in a place of detention for young persons, be extended until the young person reaches the age of twenty years, provided the court is satisfied that it would be in the interest of the young person for the court to do so.''''

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, first of all, just as a point of clarification for the House, it would seem to me that if motion No. 4A were passed that motion No. 7 would not be necessary inasmuch as I believe they deal with the same thing.

This clause arises out of a number of areas and certainly not the least of which are concerns raised by members of the legislative committee that looked at C-12 or its predecessor C-58 in the last session of Parliament. That concerns the placement and detention of young people both prior to trial and post-conviction of individuals who have been the subject of a transfer provision, the one that was spoken of in the last motion. If a young person has been transferred to ordinary court, the question arises as to where and how that individual would be detained.

In motion No. 4A, the government motion, we break it down into two parts, the pre-trial detention and the post-conviction. Within the pre-trial detention we make a distinction. We say that if the individual is under the age of 18 there is a presumption that he would be kept separate and apart from adult offenders. At the same time, if the young person who has been transferred has now reached the age of 18 or older, there is a presumption that he would be held in the ordinary courts with other adults.

One of the things I should say is that both these presumptions are rebuttable. They are reviewable. The motion indicates to whom and how an application might be made to change that and the notice that should be given.

The crux of what we are talking about here in the pre-trial phase is young people should be treated different and it is a good idea for the long-term rehabilitation of an individual for his or her well-being as a young person that he or she should be kept separate and apart. As I say, that is not an iron-clad rule. Circumstances may make that impossible. Circumstances may make that undesirable but prior to the trial those are the two presumptions that we are suggesting in motion No. 4A.

On the other hand, for an individual who has been transferred to ordinary court and has been convicted, the second part of the government motion deals with that. It gives a judge basically three choices. One of them is that the young person could be kept separate and apart from an adult. Second, that individual may be placed in a provincial correctional institute or, in cases where the sentence is two or more years, a penitentiary.

One of the important things to remember in asking the House to pass this clause is that there are a number of considerations that go into a judge's decision as to where the most appropriate place is that this individual will be confined.

The motion and the proposed amendment, as you see, take into consideration a number of of considerations we believe the judge should take into consideration, among them the safety of the young person and the safety of the public, which I already spoke of in the previous motion.

The person's accessibility to his or her family is an obvious consideration.

Ultimately, we want individuals who have been convicted of a crime to be rehabilitated. In almost all cases, contact with one's family is an important component of that. When a judge has to make a decision as to where the best place is for the confinement of that individual, proximity to family has to be taken into consideration.

Other things the judge would take into consideration are the young person's level of maturity, the availability of treatment, education and other resources that might be helpful in reintroducing this individual into society, and any other factor the court considers relevant.

That is the crux of the government's motion. There are sections here as to how and when notice should be given, who should be notified, how the application could be made and the circumstances under which a review could take place. I believe it is a substantial step forward. It is in line with the commitments the Government of Canada has made over the years concerning the treatment of young people in our judicial system.

I might point out to members of the opposition that I think it is in line with suggestions they made at the committee stage and suggestions they have made publicly. Therefore, I am asking this House to accept 4A. At that point, it seems to me that motion No. 7 would be redundant.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, this is an important motion. I agree with the parliamentary secretary that it does help the bill somewhat. Unfortunately, it does not go nearly far enough. While the parliamentary secretary has made representations that this is largely what we in the opposition were looking for in committee, I would say this is a small part of what we were looking for, certainly in this party, at the committee stage.

I do not think we would have this amendment had it not been for the government signing the UN Convention on the Rights of the Child and realizing that with its own Young Offenders Act it could not abide by the convention which, not only had it signed, but was a co-sponsor of. Therefore, this is to really tidy up and to bring it into line with its sponsoring and signing of the UN Convention on the Rights of the Child.

This is not just for the benefit of justice in Canada or for the young people who have been incarcerated or charged in this country. This is to save an embarrassment for the government. Frankly, we will take any reason at all to improve this act.

That reason having been stated, we will accept it as a basis, regardless.

I would like to speak to this and to the parliamentary secretary and the government in particular.

The first part of the motion is good. What we are talking about in the first part of the motion are young people who have been charged and who are now subject to a motion, having their charge heard in the adult court as opposed to the youth court. As I said, if the motion is successful, the young person or his or her representative can appeal. This process can take up to two years.

What has happened in the past is that while this young person is waiting for the question on whether he or she is going to be transferred to adult court to be heard or the appeal is to be heard, that young person is held, most of the time, in an adult institution where the young person is subject to physical and sexual abuse and at the same time learning all the tricks of the trade as far as how to enhance your career as a criminal is concerned.

• (1250)

That is not what we mean when we say we want rehabilitation and assistance for these young people to make them good, worth while, law abiding citizens. In a lot of these cases the young person is a victim of where they lived or their own economic situation. These young people at that age can be helped. By putting them in this facility during this critical formative period of time, quite often when they come out it is too late to do anything for them. Their whole future has been formulated.

The government has made a very important step here. It says:

> That, notwithstanding anything in this or any other act of Parliament, where an order is made under section 16 that a young person who is under the age of 18 be proceeded against in ordinary court, and the young person is to be in custody pending the proceedings of that court, the young person shall be held separate and apart from any adult who is detained or held in custody unless the

youth court judge is satisfied on application at the time of the making of the order that the young person, having regard to the best interests of the young person and the safety of others, cannot be detained in the place of detention for young persons.

That would say that the basic presumption is this young person can be kept in a youth facility and is not a danger "having regard to the best interests of the young person and the safety of others", and that this young person does not represent a safety problem for the other people in this youth facility. In most cases the youth who are detained are not a problem to the safety of others. They may be a bad influence, but one could say they are a bad influence on one another. I can understand what we would call incorrigibles, youth who cannot be placed in a youth facility.

Having regard for the safety of others, I would rather have it defined and say a certain type of young offender, one we would call incorrigible, that is fine. This is not perfect but it is a major step forward.

In that regard, for that period of time while the young person is awaiting a decision of whether he or she is going to be heard in youth court or adult court, that does help the young person.

The other feature which is important is at the end in subsection (7) which says:

Notwithstanding anything in this section, no young person shall remain in custody in a place of detention for young persons under this section after the young person attains the age of 20 years.

That is fine because presumably in the two year period, and surely it would not be much more than two years to have this matter resolved, the person would be 20. That looks after that. That is good. This is a major improvement. The problem is when you go on to the next section in which we are talking about the actual incarceration.

Once again, what we have here is a rehashing of what is already in the bill in different language. It says:

The provincial director and representatives of the provincial and federal corrections have an opportunity to be heard—.other than the young persons serve a portion of their imprisonment in a place of custody for young persons separate and apart from any adult who is detained or held in custody, a provincial corrections facility for adults, or, where the sentence is for two years or more, a penitentiary.

What we are doing, once again, is giving the judge or the court the choice. They already have that choice, that choice is in the Young Offenders Act right now. It is in Bill C–12. This amendment does not change that.

What we want to see is something similar to what we have in the first part. All we are asking the government to do is be consistent in the second part, that is the incarceration after the sentencing, with what the government has said about the incarceration of the young person prior to the determination of whether that young person is going to be heard in adult or youth court. That is all we are asking; to say that the young person will be detained in a youth facility, unless the young person is a safety problem for the other inmates of the youth facility. That is not a lot to ask, to say that the young person perhaps cannot be incarcerated in that youth facility after he or she reaches the age of 20 years. But it does give the system a chance to rehabilitate that young person. Before the determination whether the person is to be in adult or youth court, after the sentencing the young person, until he or she is 20, can be in a youth facility where we can treat and work with that young person. He or she will not be open to physical and sexual abuse and not constantly bombarded with the criminal expertise that older inmates can give.

I say this is a minor improvement. I just wish the government had followed through and changed the second part to coincide with the first part. Then I think we would really have something here. Unfortunately it does not go nearly far enough.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, this amendment as proposed by the government certainly does go a long way toward answering some of the concerns that were raised.

I particularly am happy to see the section makes it very clear that a young person shall be held separate and apart from any adult who is detained or held in custody unless the youth court judge is satisfied on application at the time of the making of the order that the young person, having regard to the best interests of the young person and the safety of others, cannot be detained in a place of detention for young persons.

This is a principle that is well set out and is valid, that the preferable place of detention shall be in a place for

detaining of young persons. It is only in rare and specific exceptions where the safety of others, or the interests of that young person, can maybe help in any other setting.

I think it has been the unfortunate practice in many jurisdictions in Canada to detain youths, particularly those who are before the court waiting on applications to be raised to adult court, in facilities to detain adults. Often this is done on the basis, almost of a prejudgment, of the court decision that this child is a child who should be raised to adult court. Therefore, based on the fact that we have made that application, we now see fit to have the child detained in adult facilities.

This, of course, makes it clear that that is not possible.

The other parts of the bill try to set out the circumstances or considerations under which a judge will determine the place of custody of a young person once they have been dealt with by the court. It is set out that it may be in a place for youths, it could be in an adult correctional facility under provincial jurisdiction, or it could be in a federal penitentiary under federal jurisdiction.

One comment I would like to make refers to 2(g). It says that the court shall take into consideration availability and suitability of treatment.

This is where the government has totally fallen down because this is where the greatest lack of resources is. We do not have adequate resources for youths. We do not have them to provide adult offenders with the treatment and rehabilitation that is necessary. Without that, we are always trying to force that young offender into increased incarceration rather than into a situation that is for treatment, education, and other kinds of resources.

It is very commendable for the government to set this out in legislation. My concern, however, is that it has not provided the resources that really and truly give the judge the alternatives that he or she can look at to make that kind of a judgment: what is in the best interest of the child, the best treatment for this child and what is in the best interest of society.

I will end on those remarks, being conscious of the time.

The Acting Speaker (Mr. Paproski): Before I call it one o'clock, shall I put the question on Motion No. 4A and on Motion No. 7?

An hon. member: Mr. Speaker, I want to speak on Motion No. 4A.

The Acting Speaker (Mr. Paproski): Therefore, I will call it one o'clock p.m.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE CANADIAN HEARING SOCIETY

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, a letter was sent to me today by The Canadian Hearing Society. On behalf of 1.6 million Canadians who are either visually or hearing impaired, they are asking questions. For example, a recent Canadian Human Rights Commission report stated that the basic telephone communication via TDD with federal departments was inadequate.

They gave Ottawa airport as an example. Ottawa airport claims to have a telecommunication device for the deaf, as it should, according to Transport Canada policy. However, no one has ever seen this device or been able to use it. The information booth claims it does not have one.

The Minister of Finance promised to make further tax deductions in 1992 towards making accessible buildings owned by landlords for the benefit of the deaf and hard of hearing. In 1991, only flashing fire alarms were recognized as deductible. What items will be included on the list in 1992?

As another example, Treasury Board does not have a policy supporting the training of public servants in American sign language. This is necessary as deaf persons face primarily attitudinal and communication barriers to employment in the federal service. A policy should be passed as soon as possible.

Finally, they are asking, what are the number of deaf and hard of hearing Canadians employed by the federal government and in what capacity: clerical, professional, management? How does this compare to the general population? They are calling on the government for action.

[*Translation*]

CANADIAN AWARD FOR BUSINESS EXCELLENCE

Mr. André Plourde (Kamouraska—Rivière-du-Loup): Mr. Speaker, I welcome this opportunity today to pay tribute to some of the best entrepreneurs in this country. We are honoured by the presence in our gallery of 22 winners of the Canadian award for business excellence. These people proudly represent Canadian companies outstanding for their innovative approach and firm commitment to the highest possible production standards.

These Canadian men and women are proof that with vision, commitment and determination, we can meet the challenges of an increasingly competitive world economy and come out winners. They are setting standards for a new era in business in this country, an era that will prove that Canadian businesses can compete with the best in the world and come out on top. Mr. Speaker, we are proud of these people, and I know that all my colleagues will join me in offering them our sincere congratulations.

* * *

[*English*]

VISIBLE MINORITIES

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, there is growing racism in this country and the government must show more leadership in fighting against it. There will be an excellent opportunity to do this because the Employment Equity Act passed in 1986 requires a parliamentary review after five years and that review will start shortly.

The purpose of the Employment Equity Act is to provide more jobs for visible minorities and other target groups but it has not been successful. The percentage of employment of visible minorities and firms covered by the act has barely changed since 1986. In order to make this law effective, the government must make the following changes; first, put more effective sanctions in the law to enforce affirmative action; second, make the law applicable to all federal departments and Crown corporations; third, make the law applicable to all firms with 25 or more employees rather than 100 employees. Furthermore, governments and political parties must appoint more officials and run more candidates who are visible minorities.

Fine words and good intentions are not enough. Political and social justice demand that we take effective affirmative action now before this country is overwhelmed with racial and social unrest.

* * *

[*Translation*]

MADRID CONFERENCE

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, yesterday in Madrid, Spain, a conference was launched to negotiate peace in the Middle East. Several countries are participating, including the Soviet Union and the United States. All eyes are on Israel, but there is also the fact of the status of Jews in Syria. About 4,000 men, women and children are being held by a regime that has no respect for the concept of human rights. I ask the Canadian government to support the peace talks negotiations at this conference and to put pressure on the Syrian authorities to allow Jews in that country the same freedom to travel, speak and live in their country as their fellow citizens.

* * *

[*English*]

OZONE DEPLETION

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, today is Hallowe'en and a good day to remind this government that the sun's rays are becoming increasingly dangerous and not just to Count Dracula.

Dracula never goes outside any more, not since the recent UN scientific report warned that the protective ozone shield is disappearing faster than was forecast.

But help is on the way in the form of CFC sucking vampire units. Development and distribution of Canadian technology to combat ozone destruction can give Canadian's anaemic economic a much needed boost.

One Canadian company estimates markets for vampire units to be worth over $2 billion. Recovering used CFCs will create local employment, help save the ozone and protect people's health.

I urge this government to bring in regulations to require every industry to have vampire units on site so that all CFCs in use will be recaptured and recycled.

Let us make Halloween and every other day safe for little hobgoblins, witches and Draculas everywhere.

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[*Translation*]

PUBLIC ADMINISTRATION

Mr. André Harvey (Chicoutimi): Mr. Speaker, the Liberals, the NDP and the Bloc Québécois often talk about good public administration but never mention the hard work and successes of the present government. A simple comparison with the Liberals' record from 1980 to 1984 will show how far removed our administration is from that of the Liberals, who increased their spending by 15 per cent annually, compared with 3.5 per cent by our government, since 1984.

If we had pursued the same disastrous policies as the Liberals, Canada would be bankrupt, and here is why: The Liberal's budget today would be 250 billion instead of 150 billion; the deficit would be 160 billion instead of 30 billion; and worst of all, the debt would now be 800 billion instead of 400 billion.

To keep the deficit at its present level, we would have had to raise the taxes of every Canadian by $4,700 annually. That is why our government must keep doing its job and ignore the demagogic outbursts of the opposition.

* * *

DEMOCRACY IN HAITI

Mrs. Christine Stewart (Northumberland): Mr. Speaker, there are many who have tried to discredit Haitian president Jean Bertrand Aristide. However, the events speak for themselves. Under his regime, human rights violations substantially decreased, and no abuses were attributed to his government.

As Aristide pointed out, during the short period of seven months in which Haiti's democracy developed, for the first time in its history, Haitians worked to create a responsible government. They resurrected an independent judicial system. These achievements are now in danger of being reversed.

It is now one month since the Haitian army overthrew President Aristide, and during that time, our government has failed to act on its commitment to freeze Haitian assets in Canada and impose economic sanctions.

Action must be taken now to bring President Aristide back to power. We cannot renege on our commitments. Democracy must be restored in Haiti.

* * *

[*English*]

MEMBERS OF PARLIAMENT

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I recently asked my constituents to let me know what issues are concerning them most these days. Over half of those who wrote to me are very concerned about the lack of confidence in many Canadian politicians.

Wallace Armstrong of Thornhill writes: "Our elected members of all parties are well-meaning people, but TV's Question Period does not always show that. Fix that and our unity and economy will follow".

I seek a consensus from this House to begin the process of rebuilding confidence in MPs and in this great institution. Our conduct in the House of Commons must be mature. Let us attack the issues and not each other's character.

We are accountable to our electorate and we must show them that we are serious about our responsibilities and our conduct. Let us begin a new chapter in the proceedings of this House where mutual respect for one another and total respect for this institution will be paramount.

* * *

SHIPBUILDING

Ms. Mary Clancy (Halifax): Mr. Speaker, I would like to remind the government of a promise it made in 1984 to provide Canada with a competitive shipbuilding industry.

In a press release of August 23, 1984 the Progressive Conservative Party's Atlantic caucus stated that: "A top priority of the PC government will be to create a more viable and prosperous shipbuilding industry". It went on to call for a comprehensive series of steps that created a national shipbuilding policy for this country.

• (1410)

Eight years later, the legacy of the Tory national shipbuilding policy is clear. A commitment to build a Polar 8 ice-breaker at Versatile Pacific broken. A commitment to build submarines in either Quebec or New Brunswick broken. MIL bailouts and closures round out this government's so-called national shipbuilding policy.

Shipbuilders in the Atlantic region demand that this government stand up and enact a comprehensive series of policies to ensure that its industry is competitive. Increase the tax on vessels constructed offshore. Extend support to the smaller ship repair facilities such as the Dartmouth marine slips. Establish Canada as a leader in cold water shipbuilding technology and create an investment climate so that we can rid ourselves of the 90 per cent rate of offshore vessel construction.

Mr. Speaker, I urge the government to act now.

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[*Translation*]

PROSPERITY

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, the announcement made two days ago in this House by the Minister of Employment and Immigration and the Minister of Industry, Science and Technology and Minister for International Trade puts us squarely in the present-day reality and the third millennium, which we will enter in a few years.

The Province of Quebec has no reason to think that there is any intrusion at all in any field whatsoever. Setting standards of excellence and pursuing them can ultimately only help the provinces and the whole country meet the new challenges well.

Furthermore, in many fields of art and science, such criteria exist and institutions, like individuals, are only better for it. Economists such as Professor Porter in his study have given us the same message.

Canada's prosperity, Mr. Speaker, depends on adequate knowledge and well-managed human resources. Seeking improved productivity is not a visionary approach but a necessary consequence of our society's evolution.

[*English*]

YUGOSLAVIA

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I rise today in response to the continuing crisis in Croatia. The continued aggression of the federal army is totally unacceptable. Thousands of people in Croatia continue to live in miserable conditions without decent food or clean water. Thousands have been wounded and killed and many others are living in fear for their lives.

Humanitarian aid must be allowed through immediately without further interference. Wanton damage is being perpetrated against internationally recognized sites of Croatian culture such as the city of Dubrovnik.

The federal army must stop this aggression at once and withdraw from Croatia immediately. Many people in my community and others with families in Croatia are currently raising money for humanitarian aid. These people feel helpless and frustrated at the continuing violence in the area.

The federal government can alleviate this frustration and anxiety by establishing a 1-800 information hot line on the Croatian conflict. Canadians have a right to know what is happening to their loved ones. I call upon the government to establish this service immediately.

* * *

INTEREST RATES

Mr. Garth Turner (Halton—Peel): Mr. Speaker, *The Globe and Mail* today devoted space to attacking me for raising the issue of credit card interest rates in Parliament. Taking the side of the banks, the newspaper continued its familiar attempts to discredit me.

This is fine but *Globe* readers should remember that this is little more than continuing an old newspaper war against a former rival business journalist. Worse, the *Globe* is both selective in its coverage and wrong in its facts. Why is it supporting credit card rates of almost 20 per cent, when the prime is 8.5 per cent? Why does it not run the story saying that the Consumers Association of Canada welcomes an inquiry into these rates? Why does the *Globe* say today that I supported price controls

during the introduction of the GST when I authored a report saying exactly the opposite?

By calling Canadians with credit card debts "foolish" in these rough economic times, *The Globe and Mail* is being both arrogant and insensitive.

* * *

UNEMPLOYMENT INSURANCE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the Minister of Finance in his budget of 1989 said this with regard to unemployment insurance premiums:

> The government will continue to contribute to the financing of unemployment insurance in difficult economic times when it is inappropriate to raise premiums.

In July 1991, the government raised premiums 24 per cent and next year, January 1, 1992 they will be increased 5 per cent again.

It has come to our attention that unemployment insurance once again will be raised approximately 14 per cent by the Minister of Finance. When the Minister of Finance was questioned on Thursday and Friday, October 24 and October 25, he said unequivocally he would not give an assurance to this House that unemployment insurance premiums would not rise.

I want to point out to the Minister of Finance that if unemployment insurance premiums go up once again it will further erode business confidence, particularly as it relates to small business. It will have a devastating effect on employees of small business as well as workers across this country.

I urge the Minister of Finance to take heed of this advice and not increase the unemployment insurance premiums—

Mr. Speaker: The hon. member's time has expired.

* * *

IRAQ

Mr. Dan Heap (Trinity—Spadina): Mr. Speaker, why is Canada helping to kill babies in Iraq? According to the October 22 report of 87 specialists who visited 30 Iraqi cities: "Unless Iraq quickly obtains food, medicine, and spare parts millions of Iraquis will continue to experience malnutrition and disease. Thousands of children will die". Already mortality of children under age 5 has risen 380 per cent.

The United Nations with Canada's active support stopped Iraq from selling enough oil to feed its people. Iraq cannot use oil revenues to buy arms because the money is deposited in a United Nations account only for UN approved purposes. Yet the UN restricted Iraq to less than $1 billion to buy and transport food.

We did not do that to the Germans and Italians when we won World War II. Why impose death on Iraqi babies, some not even born when the gulf war began?

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance. The minister keeps on repeating that his government's economic policies are succeeding. He never stops repeating that the recession is over. However, we learned today that the gross domestic product has fallen again. If the recession is over, why is steel production falling? Why are sales of metals and machinery falling? Why are aircraft production, gas distribution, construction, fishing, agriculture, mining, transportation, insurance, real estate and sales of automobiles and manufactured products down? Why?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the question the hon. member poses is very legitimate but some of the descriptions she has put forward in the body of her question are grossly inaccurate.

There has been a slight contraction in the service sector. The monthly output data is somewhat volatile at this particular time.

I remind the hon. member that if she were to look at the September preliminary figures she would see that growth in housing starts was strong. As a matter of fact, housing starts increased 19 per cent in the third quarter over the previous quarter. I believe automobile sales increased by 9 per cent or 10 per cent. Truck sales increased by 17 per cent in the month of September.

Employment rose. Unemployment went down from 10.6 per cent to 10.2 per cent and 65,000 new jobs were created.

As well, Canada's composite leading index improved in the month of September so I would ask the hon. member to consider the September figures because they certainly do look a lot better.

I might just add in conclusion that coming out of the 1981–1982 recession there were two months within a year wherein there was negative growth. So this is not unusual.

I take the hon. member's question seriously. We said all along that recovery would be moderate and modest and we still stand by that.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Minister of Finance talks about a slight downturn. Manufacturing is down $5 billion from the same time last year. Construction is down $1 billion. The retail trade is down $1.5 billion. This economy is in desperate trouble and the member behind the minister is supporting me in my comments.

Once again I ask the Minister of Finance, instead of running a multimillion dollar advertising campaign, why does the government not act today to solve our current desperate financial problems?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would draw to the member's attention that in the first eight months of 1991 the volume of exports in Canada is up by 11 per cent. A lot of that is manufacturing and the goods producing sector.

The goods producing sector did not weaken in the month of August. It maintained a very vibrant pace and what happened in the month of August was the fact that the service sector declined somewhat.

I indicated to the hon. member that to some extent these data were stale-dated because there are data that have come forth in the month of September which supersede that.

I should also draw to the hon. member's attention that we have had another 13 basis points reduction in interest rates today, which really puts the Bank of Canada rate at 8.03 per cent or Treasury bills at 7.75 per cent.

That is the lowest in 14 years and that ought to be a good indicator.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the government's advertising campaign may be yes, we can, but to the steelworker in Hamilton the answer is no, you haven't. We are talking about a $5 billion drop in the manufacturing sector alone.

What can the minister say today to the steelworker in Hamilton about the policies of his government, policies that have led to a $5 billion drop in the manufacturing sector?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I can say to the hon. member and to the steelworker that as we said in the February budget the key to growth is to bring down interest rates. The key to bringing down interest rates is to bring down inflation and inflationary pressures.

That is occurring. With the continuing decline in interest rates, that should provide for a new investor confidence in investing into plant and equipment.

I think it is time to shed the charge that this government is pursuing a high interest rate policy. Interest rates are the lowest in 14 years. It is now time for the business community to take up the challenge because it cannot hide behind that forever.

Mr. John Manley (Ottawa South): Mr. Speaker, my question for the Minister of Finance is very simple.

On Monday he told the House: "The economy is starting to boom". That was Monday of this week. Today we realize that the economy declined by .3 per cent in August.

Was the minister misinformed on Monday? Has he now changed his mind, or does he think that a declining GDP is consistent with a booming economy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I take it from the tone of the hon. member's question that he is almost ecstatic about the fact that there has been a small, modest decline in output in the month of August, .03 per cent.

I am concerned about it. When I said that the economy was starting to boom I may have been somewhat over enthusiastic. The hon. member knows as well as anyone else what I have always said. After a growth of about 4.9

per cent in the second quarter we indicated that we did not expect to achieve and maintain that level of growth, that we were projecting modest, moderate recovery, but that if we got the fundamentals right to bring inflation down and to bring interest rates down that would be the recipe to a durable, sustainable recovery.

Mr. John Manley (Ottawa South): Mr. Speaker, of course we are all happy to see the interest rates come down, but the minister should accept that in the current circumstances lowering interest rates is rather like trying to push a string when it comes to trying to stimulate economic recovery.

Based on the fact that Statistics Canada has today said that the rate of recovery is about half what it was over the first five months of the recovery in 1981–82, is the minister prepared to consider measures that will improve consumer confidence, or is he prepared to stand by and let this haemorrhaging that continues to go on continue indefinitely?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as we have indicated and as is occurring, the interest rates are continuing to decline because we have been able to get inflation rates down and inflationary expectations.

I know my hon. friend agrees with that. I know that there is a very interesting internal debate going on within the Liberal caucus. I think the hon. member shares the view of the government that we must get the fundamentals and we must get the basics right.

I have not heard one positive suggestion coming from that side of the House; only to spend more money and to drive up interest rates.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, the minister suggests that perhaps he was over-enthusiastic.

Let me suggest that the minister has been Mr. Sunshine right from the start on this recession. A month ago he talked about us being on the road to recovery. Two weeks ago he talked about us being on the right track.

Let me ask the minister whether these figures do not show that we in fact have returned to recession which is hurting people right across this country. Will the minister get up and admit that he was wrong? Will he do something to help those thousands of people across this country who have been hurt by the free trade deal and to whom his government promised adjustment assistance help which it has never come through with?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I admitted that I may have been somewhat over-optimistic when I used the words "starting to boom", but I must say I was certainly less optimistic than the IMF, the OECD, the Economic Council of Canada and the Bank of Canada. They are all projecting growth far in excess of what we are projecting in the Ministry of Finance.

In so far as the hon. member's question is concerned, he talks about the free trade. Just the other day I happened to visit Edmonton where the Dow Chemical Company was opening up a new petrochemical centre, a new facility, investing about $600 million with about 700 jobs and $300 million worth of output. The President of Dow said we would not be building this unit here if it were not for free trade.

Mr. Steven W. Langdon (Essex—Windsor): The fact is, Mr. Speaker, that Investment Canada, the government's own agency, came out and said this week that investment by foreign firms in this country dropped by $3.9 billion this past year.

[*Translation*]

My supplementary question is for the Prime Minister. His finance minister announced two months ago that the recession was definitely over. Today, statistics show that the recession is back. Will the Prime Minister change his economic policies or will he change his minister?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we do have some indication of that today, but it in no way changes the projections for fairly impressive economic growth next year and the one after. The fact is that interest rates today are at their lowest level in 14 years. For three months, the inflation rate has been at its lowest level since 1971, I am told, or in the past 20 years. These are very important indications of an impressive lasting recovery for Canada.

Instead of complaining—The hon. member just accused the Minister of Finance of being Mr. Sunshine.

[*English*]

Better Mr. Sunshine than Mr. Rainstorm like you.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, most people when they face a rainstorm would prefer to have an umbrella rather than a pair of sunglasses.

• (1430)

This week the government tried to divert Canadians with the so-called prosperity papers. These figures today show that the recession is still bashing people day after day.

I ask this government: When will the tricks stop? When will the treats start? When will this government start to take seriously the damage that it is imposing on people with its economic policies?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I suppose my reply to the hon. member should be he does not have a ghost of a chance.

The hon. member obviously relishes in the fact that there has been a slight drop in output in the month of August. I indicated in earlier answers that in terms of automobile sales the month of September has seen an increase by about 9 or 10 per cent. In truck sales it is about 17 per cent. Housing starts are up by 19 per cent in the third quarter over the second quarter. The merchandise trade balance has risen by $5.4 billion. There is a $17 billion trade surplus. The hon. member talks about the free trade agreement, investment shifted from a $2.5 billion outflow ion 1988 to a $4.5 billion inflow in 1990. That is what the free trade agreement is all about.

I understand in his own backyard that Chrysler Corporation is opening a third shift for the construction of a mini-van. If Chrysler sees some optimism and prosperity in the future, why doesn't a little bit of that rub off on the hon. member?

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Industry, Science and Technology. The consultation exercise proposed by the government last Tuesday is merely a repeat of what has already been done by the *Conseil du patronat du Québec* at *Rendez-vous économique 91.* How can the minister justify spending $20 million to ask the public to provide solutions to the economic problems for which he is responsible?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am amazed that the hon. member overlooked the fact how important it is to involve business, the financial community and labour in developing a plan of action that will help us meet the challenges all Canadians will face in a globalized economy.

The hon. member may be appalled by the fact that the government has decided to involve all sectors in this exercise, but we are convinced it is in the best interests of Canada.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I don't think the minister understood my question. *Rendez-vous économique 91* generated 48 promising job creation projects. Fifty leaders in Quebec managed to do in three days what the minister intends to do in one year, at a cost of $20 million.

Instead of spending millions to consult the public, why doesn't the minister use the recommendations made by *Rendez-vous économique 91* and start by revising his monetary policy? That was one of the recommendations.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am surprised the hon. member didn't mention the drop in interest rates. I was in Montreal yesterday, and I was talking to the people there, and they were very keen on seeing our monetary policy work, because interest rates have now reached a level that will boost economic growth in Canada and Quebec. Instead of always talking about gloom and doom, I think the hon. member should get up and admit that our fiscal and monetary policy in this country is doing some good and that it will guarantee durable economic growth across Canada.

* * *

[*English*]

EDUCATION

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my question is for the Minister of Employment and Immigration.

In a document released this week by the government it talks about setting world-class standards in our education system. At the same time the federal government

has imposed a 3 per cent tax on student loans and a 7 per cent GST on their books.

If the minister were serious about improving our education system, will he make a commitment today to remove those unfair taxes on students?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I would like to know how the hon. member would answer, what she would say, if the Minister of Industry, Science and Technology and Minister for International Trade and myself announced on behalf of the government that in the next 10 years we are going to invest $400 billion into education. What would she say?

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, first of all I would ask them to remove those taxes.

This government has not increased student loan allowances since 1984. Tuition fees have increased dramatically because of this government's underfunding. Will the minister admit that it is impossible to achieve these educational standards that are talked about in this report if this government continues its destructive policies, making it difficult for students to afford post-secondary education?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if that is going to be the contribution of the Liberal Party to the learning challenge of Canadians, so be it.

But let me tell the hon. member and members of this House that Canada is spending at a rate only surpassed by two industrialized countries in the world. The question we have to ask ourselves is that it is not so much the money we threw at the problem the way the Liberals did; it is the results. We are slipping and Canadians are concerned and preoccupied. We should find ways of trying to keep up with the challenge.

* * *

NUCLEAR VESSELS

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Minister of the Environment. British Columbians are outraged that the cabinet considered, let alone approved, U.S. nuclear submarine rights to Dixon Entrance without first publicly assessing the risks to Canadians.

Since as recently as last month the minister's own department advised the contingency plans for a nuclear submarine accident in Dixon Entrance provide only some assurance, will the minister do what cabinet has approved for him to do, which is to respond to the public concern in British Columbia and appoint an independent panel today to review in public the risks that cabinet have been advised of to date only in private?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I welcome this opportunity to clarify a point that the member brought up yesterday. He alluded to the fact that there had been a decision by the court in Kemano on which he draws a parallel for this event.

I respectfully submit that that parallel is not correct in this area. In the case of Kemano, there was an exemption of an environmental assessment review process and the court found differently. That court decision is still before the courts in appeal.

But I would also like to remind the member that the case we are dealing with now is a lot more similar to the Naskapi Montagnais case where in the case of the low-level flying in Labrador the government had proceeded by Order in Council. It had been challenged also and had gone before the courts, and the court had found that the government had proceeded correctly.

A big difference, Mr. Speaker.

Mr. Jim Fulton (Skeena): My supplementary question is for the same minister, Mr. Speaker.

Yesterday the Secretary of State for External Affairs tried to leave the impression with Canadians that the U.S. nuclear submarine fleet is safe, contrary to the facts, because since 1983 the U.S. nuclear submarine fleet has suffered at least 12 groundings, 50 collisions, 113 fires, 14 on board explosions and 31 on board crew suicides.

Will the minister stop making excuses like he just did about why he has found a loophole and why he is not doing what he is supposed to do and stand up for Canada and stand up for British Columbians and do what he can do legislatively, that is to appoint an independent review panel today to look into the risks that are facing my constituents, British Columbians? Stand up for Canadians for once.

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, let me add for the benefit of the hon. member that, first, an environmental assessment has

been done of this Order in Council decision consistent with the policy of cabinet that was announced in June of 1990. That is something that was not done by previous governments. It is a new policy, and that is part of the announcement we made. Second, let us be completely honest about this. The fact of the matter is that the NDP is against NATO, it is against collective defence, it is against anything to do with any co-operation with other countries in the area of defence. Whether there would be an environmental assessment or not has nothing to do with the position of the member for Skeena.

* * *

• (1440)

TRADE

Mr. Jim Peterson (Willowdale): Mr. Speaker, the minister of industry claims that he must spend over $15 million and delay economic actions for at least a year so that he can find out what Canadians already know.

Will the minister recognize that there are many areas in his prosperity primer where there is consensus where he can act today.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, there may be consensus between my hon. friend and myself as to areas in which we might want to act. I would appreciate it if he would tell us where those areas might be. I think he does think more along our ways than the member for Windsor West or the member for Winnipeg South Centre.

The only point I should make is that we have to work together more to develop the consensus between yourself and Mr. Axworthy and Mr. Gray.

Some hon. members: Oh, oh.

Mr. Jim Peterson (Willowdale): Mr. Speaker, he is really scraping the bottom of the barrel there.

Two days ago, a Toronto manufacturer entered the office of the Program for Export Market Development, PEMD. He sought $1,500 to promote the sale of his product in Europe. He was told: "Sorry, PEMD is out of funds until next April".

Why does this government have over $15 million to spend flogging its prosperity primer but not even $1,500 to help one of Canada's exporters go head to head in the world market?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I do not wish to get in to the internal machinations of the Liberal caucus, but I do not think he should refer to the ideas of his colleagues as being the bottom of the barrel.

An hon. member: I think he is right.

Mr. Speaker: The hon. minister should refer to them by their riding names.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, my friend raises a good point. The budget for PEMD, the Program for Export Market Development, is very tight. It is one indication of the very positive response of Canadians toward exporting. That is precisely what we are trying to promote in this document that I tabled on Tuesday. We will continue to work on it.

As far as the budget is concerned, we are discussing that to see whether there are ways of stretching that budget more than has been the case because of this tremendous response and the tremendous desire of Canadians to export.

* * *

UNEMPLOYMENT

Mr. Maurice Foster (Algoma): Mr. Speaker, my question is for the Minister of Labour.

A year ago last summer over 2,400 miners in Elliot Lake lost their jobs when the mines shut down. Now their unemployment insurance has run out and they are facing welfare.

The minister has had a report on his desk since the end of August to provide pensions for some 260 older workers under the POWA program.

I want to ask the minister when these pensions are going to be paid? Tomorrow is November 1. These miners do not have UI benefits any more.

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, as the hon. member knows, the Program for Older Workers Adjustment is one where both levels of government have to authorize the payments.

We in the federal government have done that and it will be done very shortly by the government of Ontario. I am sure it is not due to any bad faith on anybody's part. It takes a little bit of time. I authorized ours recently and I am sure Mr. MacKenzie will do the same soon.

Mr. Maurice Foster (Algoma): Mr. Speaker, the minister knows that these workers are in a community where some 15 per cent of the work force is facing welfare this coming winter.

Would the minister be willing to meet later this week with the Ontario Minister of Labour to make an arrangement so that cheques could be sent out next month and these workers will not have to go on welfare as many others face in that community and in that district.

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, I would be ready to meet with the Ontario Minister of Labour at any time he would choose.

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CULTURAL IDENTITY

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question is for the Minister of Communications. Yesterday in committee the president of the CBC warned that any further government cuts would severely harm the CBC's ability to do its job reflecting Canada's cultural identity.

I would like to ask the minister whether he can tell us why he has not replied or responded to the serious funding proposals put forward to him by the CBC. I wonder if he can advise us as to when a final decision on this funding will be made and whether he could advise whether such a decision will in fact involve CBC's request for long-term and stable funding.

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, we are very sensitive on this side of the need to ensure that the CBC can discharge the mandate given to it by Parliament.

Unlike members on the other side who daily get up in the House and make dire predictions for the CBC and the requirement for them to close stations and so on, that is not going to take place. The government continues to work with the CBC on the issue of long-term funding and in ensuring that the whole of the broadcasting system in Canada is well managed and is soundly financed.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my supplementary question also deals with our cultural identity and is directed to the same minister. During Tuesday's committee meeting, the member for North Vancouver mused that not enough Canadians read books to justify federal assistance to the book publishing industry.

Does the minister support his colleague's opinion that federal assistance to Canada's book publishers should be discontinued? Does he agree with his colleague that Canadian publications are just not good enough? Does he not recognize that such—

Mr. Speaker: I think the hon. member can ask if it is government policy to do something, but I do not think it is in order to ask whether the minister agrees with something that somebody else has said.

The hon. member for Okanagan—Shuswap may wish to put his question directly in an appropriate way.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question in regard to those comments to the minister was simply this. Was the member from North Vancouver speaking for the government when he voiced those particular opinions?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, as the hon. member should know, the government has done a great deal in order to support the cultural industries in Canada. It is our full intention to continue to do so.

One of the things which this government did was to bring in systematic parliamentary reform in order to ensure that individual members of Parliament were able to express their personal points of view and to play an important role in the conduct of Parliament.

I might say that in doing that, our members have brought greater distinction to our party and to this Parliament than one of his colleagues did last night.

* * *

TRADE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the media coverage of the government's competitiveness and prosperity initiative has many Canadians confused as

they witness business people, labour spokespeople, academics and special interest groups making claims and counterclaims.

My question to the Minister for Industry, Science and Technology is this. Will the minister please explain to Mr. and Mrs. Front Porch in my riding what this agenda means to them and how they can participate in it.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I think the principal reason why this is important to people in his riding is because the initiative is designed to review the challenges we have in improving our competitive position and the standard of living of the people in his riding, are related to our competitive position.

• (1450)

Normally when views are sought from Canadians on matters such as this in a normal consultative process, people such as he is referring to do not have an opportunity to feed into the process, to express their views, to get into a dialogue, to discuss the problems and the challenges that we are facing. Since we are going to 175 or 185 communities across the country, people such as my hon. friend is referring to will be able to feed directly into the process and have their views heard.

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[*Translation*]

SOVEREIGNTY–ASSOCIATION

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is for the Right Hon. Prime Minister. Since yesterday, when he had his initial reaction to the excellent report by the Economic Council of Canada, I know that the Prime Minister has tried to play the bogeyman and pretend that there is no question of Canada one day having economic agreements with a sovereign Quebec. My question for the Prime Minister is: Will the 100,000 workers in Ontario who owe their jobs to the $30-billion trade that Ontario has with Quebec be unemployed to punish Quebecers the day after sovereignty is attained?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think that my friend has been overtaken by events. Important events are taking place in Quebec. He is the manager or assistant manager of the Ontario Branch of the PQ, but his big boss made an important revealing statement last night in Montreal. Mr. Parizeau said that in an independent Quebec, Quebecers who wanted to could keep their Canadian citizenship. So Mr. Parizeau is now proposing independence, but keeping the Canadian currency, an economic union with Canada and Canadian citizenship. It may be less costly for Quebecers to remain Canadians.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I wish to ask a supplementary question. I know that the Prime Minister will have fond memories of that great Quebec leader with whom he plotted to get elected in 1984 and 1988 and the Prime Minister cannot deny it.

Can the Prime Minister tell me whether western farmers who sell $750 million worth of beef to Quebec will say that once Quebec is sovereign, they will no longer sell their beef but eat it in the West?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not know with whom I plotted in 1984, but I know that my opponent then belonged to the Liberal Party.

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TRANSFERS TO THE PROVINCES

Mr. André Harvey (Chicoutimi): Mr. Speaker, my question is for the President of the Treasury Board and concerns transfers to the provinces. Since 1984, when our government held program spending increases to 3.5 per cent, most provinces continued to raise theirs too rapidly. Since then, they must also adjust to economic reality, while trying at times to put the blame on the federal government, with the demagogic help of the opposition parties. To my knowledge, Mr. Speaker, the figures on transfer payments contradict these ridiculous statements and I would like to have them confirmed by the President of the Treasury Board, especially with respect to programs like equalization, Established Program Financing and the Canada Assistance Plan.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, although the government has striven since 1984–85 to reduce public spending, it has always made a point of remaining sensitive to the needs of the provinces and, as evidence of that, I would mention that since 1984–85, the principal

transfers to the provinces have risen 40 per cent, or over 6 per cent a year. Established Program Financing, for example, has gone from $14.500 billion in 1984–85 to $20.368 billion this year; equalization, from $5.422 billion to $8.115 billion this year. Finally, Mr. Speaker, public services and other transfers have risen from $6 billion under the Liberals to $9 billion this year. That is steady growth.

* * *

[*English*]

IMMIGRATION

Mr. Tom Wappel (Scarborough West): Mr. Speaker, my question is for the minister of immigration. It was reported last week that the minister intends to further restrict family class immigration. Unlike some members on the other side, I do not treat as gospel what is reported in the media.

I ask, not a reporter but the minister himself, a novel idea: What is he planning respecting family class immigration?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, speaking of novel ideas, one thing is it is all right—

An hon. member: Family class.

Mr. Valcourt: Yes, family class is coming. One sure thing, we will not put them in refugee camps.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, if people's actions were judged by what was reported in the media, the minister might not be a minister.

Last year the previous minister delivered the annual report on October 25 and announced the five year plan with great fanfare. This year the minister will wait until the last possible minute on the last possible day to deliver his report. We are dealing with people's lives here.

Why the delay? Is the news that bad?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the news is maybe not that bad but it would be better if he stood in this House and dissociated himself openly with that report which I believe really exists.

Last year we indicated that there would be restrictions on the family class because that class had mushroomed. What we want to ensure is that the family, as we know it, is reunited in Canada. When the regulations come out the hon. member will thank us for not interning them and for making the family class eligible to come to Canada.

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JUSTICE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my question is for the Prime Minister. Last night the CBC informed us that Mr. Frank Majeau, a close friend of former minister Roch LaSalle, attempted in 1979 to receive a bribe from the McDonnell Douglas aircraft manufacturer for the awarding of a government contract. McDonnell Douglas has confirmed this fact.

When did the Prime Minister find out about this situation and did he know it when Mr. Frank Majeau was appointed as an assistant to a member of his cabinet, namely Roch LaSalle?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, the matter is under review by the RCMP and the government is not in a position to comment.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, my supplementary question is for the Solicitor General. According to the same report, an officer of the RCMP's Montreal office accompanied Frank Majeau to St. Louis, Missouri when Mr. Majeau tried to get bribes from McDonnell Douglas for a government contract. Can the minister tell us who this agent is? Was he on duty? And especially, is he still a member of the RCMP?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, as I said in English, there is an investigation. The government cannot comment.

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[*English*]

FISHERIES

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, my question is for the Minister of Employment and Immigration.

Today the labour and employment subcommittee passed a motion recommending reinstatement of the emergency response fisheries program for fishing industry workers in B.C. The motion from the all-party committee also urged the Minister of Employment and Immigration and the Minister of Fisheries and Oceans to

co-ordinate their efforts to ensure the earliest possible delivery of this program.

• (1500)

Has the minister decided to support reinstatement of the emergency response fishery program for B.C. fishing industry workers?

Mr. Valcourt: Mr. Speaker, I sympathize with the plight of all Canadians who work in the fishery.

I will be contacting my colleague, the Minister of Fisheries and Oceans, who is responsible for the management of the resource. Together we will look at the situation of the fishery in British Columbia and then decide what form of action is required.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I think the minister recognizes that the problem was created by the government when it changed UI legislation to require more weeks of work.

On the other hand it controls the harvesting of the resource and shortened the fishing season. Really the government is responsible. I hope that the answer is positive and that the minister recognizes the importance of an early reaction and gives it soon.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I would like to remind the hon. member that the emergency response feature is mainly for catch failure. There has not been a catch failure in British Columbia's fisheries.

The herring roe and the salmon catch has been as high or higher than the average of the last five years.

Nowadays there is a tremendous compression of the catching as a result of the change of gear and the ability of fishermen to move around. The catch is as high as it has been but is much more compressed. That is causing structural changes which are taking place in the industry.

Mr. Speaker: I must ask the indulgence of the House for a moment. It being 3 p.m. it is my duty, pursuant to the order made earlier this day, to direct the hon. member for Port Moody—Coquitlam to proceed to the bar of the House. I would ask for absolute order for the next few minutes.

House of Commons

HOUSE OF COMMONS

MEMBER FOR PORT MOODY—COQUITLAM

Mr. Speaker: Mr. Waddell, you stand at the bar of the House because your peers have decided that the conduct you displayed in the House on Wednesday, October 30, 1991 offended the privileges of the House of Commons of Canada.

Just before adjournment and shortly after eight o'clock p.m. you were given the floor on a point of order. After your intervention the Deputy Speaker made a ruling on your point of order and proceeded to adjourn the House in conformity with the Standing Orders whereupon you left your seat in breach of our conventions, interfered with the Sergeant-at-Arms, an officer of the House, and you physically attempted to prevent the Mace from leaving the Chamber.

The Sergeant-at-Arms is a servant of this House and acts under the authority of the Speaker. The Mace is the symbol which embodies not only the authority of the House but its privileges as well.

The special privileges that members of the House of Commons enjoy are part of the constitutional law of Canada. Freedom of speech is one of the most revered of these privileges. However, with that privilege comes the responsibility to use it wisely and for the good of Canada.

It is not a licence to say whatever one wishes under all circumstances, or permission to disregard the rules of the House or the common practices of civility.

There is little doubt that the incident of last evening is one which all members regret. In your statement to the House earlier you expressed your personal regret and apologized to the House.

Nevertheless because of the seriousness of your action the House has chosen to agree to the motion directing me to reprimand you. You have been duly elected a member of this House. It is incumbent upon you to represent your constituents and to fulfil your duties and obligations as a member. In honouring those onerous obligations it is essential that you always respect this institution and its rules and practices.

The House of Commons can only function when its dignity is upheld by all members and its rules followed. That you disregarded the rules and practices of this place and the authority of the Speaker is a matter of grave

concern to this House and to all who cherish and respect this institution.

As Speaker of the House, and upon its instructions, I therefore reprimand you as guilty of a breach of privilege and of a gross contempt of the House.

The hon. member may retake his seat.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, may we have an outline of the business for the next week?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): It is my intention tomorrow to call Bill C-22, the bankruptcy legislation, for completion at second reading.

Hopefully we will have completed Bill C-12 this afternoon but if that is not the case, we will proceed with C-12 tomorrow.

On Monday it is my intention to call Bill C-36, dealing with the conditional release of prisoners, to begin and hopefully complete its second reading stage.

On Tuesday and Wednesday of next week it is my intention to call for report stage and hopefully completion of report stage and commencement of third reading of Bill C-17, dealing with firearms.

On Thursday, November 7 it is my intention to call Bill C-31, the Extradition Act, the act to make our extradition procedures more efficient, and to complete third reading on Bill C-17 at that time should it be necessary. I will have the usual consultations with House leaders with respect to Friday of next week.

* * *

• (1510)

PRIVILEGE

COMMENTS DURING QUESTION PERIOD

Mr. Jim Fulton (Skeena): Mr. Speaker, my question of privilege arises from Question Period. When you have the opportunity to review the "blues" from the first answer of the hon. Minister of the Environment, I believe that you will find that there is in fact a *prima facie* case not of debate but of the minister presenting information contrary to the facts. That might be described as an intention to mislead the House.

The reason that I say that is there is a memorandum from the Director General of Operations of the Federal Environment Assessment Review Program office to the minister which has two sentences completely contrary to the facts that the Minister of the Environment placed before the House during Question Period. I quote them: "If approval is sought from the Governor in Council it will be seen as an effort to bypass the EARP, it could lead to a legal challenge similar to that mounted against the exemption order for the Kemano completion project in British Columbia. Given that a Governor in Council decision is soon going to be announced regarding the transit of nuclear submarines through Dixon Entrance, the issuance of another Order in Council for a similar activity on the west coast could draw undue attention to the use of this technique to avoid the application of the EARP".

That was provided to the minister. It is now a public document. Mr. Speaker, I believe that you will see that there is a *prima facie* case that what the minister said about the Kemano court ruling of May 14, 1991 is not sustained by the facts.

QUESTION PERIOD

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, this point also deals with Question Period.

I think one of my privileges should be to ask a question. In 45 minutes we on this side of the House were only permitted two questions, and as well the procedure is that we cannot even ask a supplementary. Surely it is not asking too much of the Speaker to allow this side to ask at least three questions.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, to facilitate his particular objective perhaps the hon. member could have conversations with the government House leader and the parliamentary secretary and then the matter could be raised at a House leaders' meeting and we could extend, for the benefit of all and with the consent of all, the length of Question Period to accommodate the hon. member.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, with regard to my hon. friend's intervention I would like to

join many others in suggesting that there are many questions that ought to be put to the government. A way to maximize the number of parliamentarians with access to Question Period would be to extend it for half an hour each day.

I would like to go on record and join my colleague from the Official Opposition and say that we would enthusiastically join with the Official Opposition in supporting this proposal to make this place more democratic.

Mr. Attewell: Mr. Speaker, my question had the greatest urgency. It needs to be answered by tomorrow. It concerns 400 refugees in New Delhi. I wanted to ask the minister an urgent question about that.

The Acting Speaker (Mr. DeBlois): Order, please.

It is not the first time that question has been raised in this House.

[*Translation*]

We have a House Management Committee, and if the hon. member wishes to make representations, I am sure that both sides of the House would be very interested in improving the Standing Orders, if necessary.

[*English*]

Mr. Fulton: Mr. Speaker, I would like to hear from you when you might come back before the House regarding the privilege I have raised. I believe it is a *prima facie* case. I am prepared to move the necessary motion to refer it to committee but I would certainly appreciate learning when you will come back from reviewing the "blues" and determining what the minister said and what the facts really are.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair will take the question raised several minutes ago under advisement, and if there is a genuine question of privilege, the Chair will announce its decision as soon as possible. Thank you for your co-operation.

GOVERNMENT ORDERS

[*English*]

YOUNG OFFENDERS ACT

MEASURE TO AMEND

The House resumed consideration of Bill C-12, an act to amend the Young Offenders Act and the Criminal Code, as reported (with amendments) from a legislative; and the motion of Ms. Campbell (Vancouver Centre) (p.); and the motion of Mr. Waddell (p.).

Mr. Nicholson: Mr. Speaker, I believe we voted on 4A just before one o'clock. The clerk is shaking his head. You are quite right, one member did indicate that he wanted to say a few words about it. I do not see him in the House right now.

[*Translation*]

The Acting Speaker (Mr. DeBlois): There has been no vote yet on motions Nos. 4A and 7. Resuming debate.

[*English*]

Resuming debate on motions nos. 4A and 7.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to make some comments regarding these particular amendments. Perhaps I can use this as an opportunity to ask members of Parliament, as we debate this important piece of legislation, from time to time to cast their minds back to the reason for these discussions.

We are trying to find ways and means to make the Young Offenders Act more appropriate.

While we must do this some time or another, we have to spend time in this House asking why these young people are getting into trouble in the first place. We are dealing with the situation after the fact. Of course we have to do that. However, at some time we have to make a much greater effort to ask ourselves if there are initiatives we could take as Parliamentarians and new policies that we could urge the government to take that would result in fewer young people getting into difficulty with the law in the first place.

All too often we spend time discussing situations after they happen. How do we assist a business after it is nearing the stage of bankruptcy? How do we assist a region after it is in a state of economic decay?

Once again this provides us with a reminder that while this must be done—important interventions by various members have already been made today—let us provide an opportunity to identify ways and means to initiate policies and legislation to encourage young people to not participate in illegal activities and get into trouble so that they may have a more fulfilling life that makes sense to them and contribute to society as positive citizens rather than being waylayed by behaviour that is unacceptable.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I just want to make a brief intervention with respect to the Young Offenders Act and some of the things we have been dealing with, not only with the amendments themselves but the over-all act.

The incarceration clauses and some of what has come before us show that there is a movement in my riding of Okanagan—Similkameen—Merritt and throughout much of the country to examine the problem of youthful offenders, to examine in what situations they should be incarcerated, the rehabilitation provisions and how to best work with young people who have been misguided.

In doing that I think we have examine not just the severity of the offence. As the member for Port Moody—Coquitlam has pointed out it is so easy to raise children into adult court, with all that comes with that such as the incarceration, the conviction and the time limits. That is a major problem. People are saying: "If there is the crime, the punishment must be suited to the crime".

• (1520)

There is another perspective on this, and I think the member alluded to it in his earlier talk on the incarceration provisions, that perhaps we should be looking at the Young Offenders Act and punishing young offenders as youths and making the punishment more fitting within the Young Offenders Act to the crime. This should be done because of the circumstances of for example a 16 or 17 year old child who may well know the ramifications of his or her actions entering into a crime but still being young, foolish and impressionable, not looking at the end result of what is going to occur to them with respect to robbery with violence, 10 years imprisonment; second degree murder, 25 years with a minimum 10 years without ability to be paroled, or first degree murder provisions being life imprisonment with a minimum of 25 years.

This is pretty serious stuff when we are looking at a 16 or 17 year old. Yet I cannot disagree certainly with many of my constituents and many others who say the punishment must be more fitting to the crime. I think perhaps this is the area that we should be looking at, the provision of strengthening within the Young Offenders Act the penalty provisions.

Those are the words that I would like to say at this juncture.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I am pleased to agree with these government amendments. The amendment was very much like my amendment. I also want to tell my mother I still have my head on here so that I can speak.

Anyway, the amendment 4A is very much like the amendment I proposed and I am pleased that the government has really looked into this in some depth and that the government has moved on this. I congratulate the parliamentary secretary. It may have helped that the Prime Minister went to New York and chaired a committee of the United Nations and ran smack into the middle of some United Nations rules on this very subject. As a matter of fact, those rules I speak about are the United Nations standard minimum rules for the administration of juvenile justice and at the United Nations Convention of the Rights of a Child, of which Canada, and I congratulate the government again on this, was one of the leading advocates, promised to ratify this by the end of this year.

I just want to quote from the brief of the Canadian Bar Association to our committee. The Bar Association said:

> Detention of young offenders in adult institutions appears to violate the new United Nations Convention on the Rights of the Child, which Canada proposes to ratify in the near future.

Article 37 of the convention contains the following provision:

(c) Every child deprived of liberty shall be treated with humanity and respect for the inherent dignity of the human person in a manner which takes into account the needs of persons of his or her age. In particular, every child deprived of liberty shall be separated from adults unless it is considered in the child's best interest not to do so.

I quote again from the United Nations rules from the so-called Beijing rules, rule 13.4:

Juveniles under detention pending trial shall be kept separate from adults and shall be detained in a separate institution or in a separate part of an institution also holding adults.

And more broadly, rule 26.3:

Juveniles in institutions shall be kept separate from adults, shall be detained in a separate institution or in a separate part of the institution also holding adults.

The hon. member for Esquimalt—Juan de Fuca spoke earlier in the debate some months ago when we were debating the Young Offenders Act. He had experience not only as being a premier of a province but as a social worker and a court worker, and so on, and many of my colleagues have this. What all the probation officers and court workers will tell you is that if you take a 16 year old kid and you put him or her into an adult jail and literally, if I can be so crude, they end up getting raped and getting assaulted within days, sometimes within minutes, you will never after that experience really change that person properly.

I congratulate the government.

I am glad the Prime Minister and his government saw the light of their own speeches in the United Nations if I might say. Nevertheless, it is done and I would be pleased to now end the debate on this and to support that amendment.

I understand if this amendment goes, there is no necessity for my own amendment on this matter and I would accept that.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt motion No. 4A?

Some hon. members: Agreed.

Motion No. 4A agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): And by the same token, motion No. 7 is also carried, if I am not mistaken.

[*English*]

Mr. Waddell: Mr. Speaker, I would suggest that be withdrawn because it would be redundant. We would not pass both of them.

The Acting Speaker (Mr. DeBlois): You are right. Thank you.

[*Translation*]

The House will therefore proceed to consideration of motions Nos. 8 and 9, which have been grouped together for debate.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 8

That Bill C-12 be amended in Clause 3

(*a*) by striking out lines 31 and 32 at page 4 and substituting the following therefor:

"other than the dispositions referred to in paragraphs (*k*.1) or (*k*.2), or any number thereof that are";

(*b*) by striking out line 34 at page 4 and substituting the following therefor:

"the offence is first";

(*c*) by striking out lines 38 and 39 at page 4 and substituting the following therefor:

"(*k*.1), and where the offence is second degree murder within the meaning of section 231 of the *Criminal Code*, the court shall make the disposition referred to in paragraph (*k*.2).";

(*d*) by striking out lines 46 to 48 at page 4 and substituting the following therefor:

"(*k*.1) in the case of first degree murder, order the young person to serve a disposition not to exceed seven years comprised of";

(*e*) by striking out line 4 at page 5 and substituting the following therefor:

"five years from the date of committal,";

(*f*) by adding immediately after line 9 at page 5, the following:

"(*k*.2) in the case of second degree murder, order the young person to serve a disposition not to exceed five years comprised of

(i) a committal to custody, to be served continuously or intermittently, for a period that shall not exceed three years from the date of committal; and

(ii) a placement under conditional supervision to be served in the community in accordance with section 26.2; and";

(*g*) by striking out line 15 at page 5 and substituting the following therefor:

"graph (1)(*h*), (*k*), (*k*.1) or (*k*.2), shall continue in";

(*h*) by striking out line 21 at page 5 and substituting the following therefor:

"under paragraph (1)(*h*), (*k*), (*k*.1) or (*k*.2), shall";

(*i*) by striking out lines 29 to 34 at page 5 and substituting the following therefor:

"the offenses is

(*a*) first degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of those dispositions shall not exceed seven years; or

(*b*) second degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of those dispositions shall not exceed five years.";

(*j*) by striking out lines 41 to 46 at page 5 and substituting the following therefor:

"offenses was

(i) first degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of the disposition may exceed seven years; or

(ii) second degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of the disposition may exceed five years.";

(*k*) by striking out line 5 at page 6 and substituting the following therefor:

"made under paragraph (1)(*k*.1) or (1)(*k*.2) is ordered to"

(*l*) by striking out line 29 at page 6 and substituting the following therefor:

"paragraph (1)(*k*), (*k*.1) or (*k*.2), the review boards,".

Mr. Russell MacLellan (Cape Breton—The Sydneys) moved:

Motion No. 9

That Bill C-12 be amended in Clause 3

(*a*) by striking out lines 46 to 48 at page 4 and substituting the following therefor:

"(*k*.1) in the case of first degree murder, order the young person to serve a disposition not to exceed ten years comprised of";

(*b*) by striking out line 4 at page 5 and substituting the following therefor:

"seven years from the date of committal";

(*c*) by adding immediately after line 9, at page 5, the following:

"(*k*.2) in the case of second degree murder, order the young person to serve a disposition not to exceed seven years comprised of

(i) a committal to custody, to be served continuously for a period that shall not exceed five years from the date of committal; and

(ii) a placement under conditional supervision to be served in the community in accordance with section 26.2; and";

(*d*) by striking out lines 28 to 34 at page 5, and substituting the following therefor:

"not exceed five years, except where one of those offences is

(*a*) first degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of those dispositions shall not exceed ten years; and

(*b*) second degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of those dispositions shall not exceed seven years.";

(*e*) by striking out lines 39 to 46 at page 5, and substituting the following therefor:

"sitions may exceed five years, except where the offence is, or one of the previous offences was, first degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of the disposition may exceed ten years.";

(*f*) by adding after line 46 at page 5 the following:

"(*c*.1) the combined duration of all the dispositions may exceed five years, except where the offence is, or one of the previous offences was, second degree murder within the meaning of section 231 of the *Criminal Code*, in which case the continuous combined duration of the dispositions may exceed seven years."

The Acting Speaker (Mr. DeBlois): The debate is on motion No. 8 and motion No. 9.

Mr. MacLellan: Mr. Speaker, as you have stated correctly, I sponsored motion No. 9 which is quite similar to motion No. 8 presented by my friend, the member for Port Moody—Coquitlam.

I will speak to my motion, motion No. 9, because I feel that is the motion that best reflects the concerns of this party. The concern is that this bill just does not do anything to correct the problem of youth crime in this country.

As I stated earlier, with respect to the offender, the offender under this act is not getting rehabilitation, counselling, training, except when the young offender is

waiting for the disposition of the question of whether he or she will be in youth court or adult court.

The young offender is going to be housed quite likely, particularly if there is sentence from an adult court, in an adult institution and subject to sexual and physical abuse by senior inmates of that institution, and will be subject to learn more about the criminal how-to-do than really that person should be learning.

We are not helping the situation. We are not looking at the individual. That individual is going to come back and is going to be subject again to the temptations of crime.

• (1530)

With the additional knowledge, I think we are likely to see a rise in the rate of recidivism in most of these situations in which that person will wind up breaking the law again and going back into the institutions.

That is one concern this bill totally fails to address. The other question is: Is it protecting society? Is it protecting individual Canadians? Right now there are a tremendous number of complaints about the Young Offenders Act. I remember when we had this bill, which was then named Bill C-58 before we entered into a new session and it was renumbered Bill C-12. This goes back to December. So the government has had a long time, nine months, of complete inactivity on this bill to bring it up to date, but has chosen to do nothing except bring forward motion 4A which protected its political neck with respect to the UN Convention on the Rights of the Child.

We had a witness, Mr. Maurice Rose, whose son was killed by a young offender on public transportation in the city of Montreal. He had applied to see the minister. The minister would not see him. He presented his case before the committee and he has circulated a petition throughout this country. He has on that petition now 800,000 signatures of people of Canada as to the inadequacy of the Young Offenders Act to deal with the problems of youth crime in our country today, particularly in the urban areas.

This has to be addressed. Certainly we want rehabilitation. We want counselling and we want training for the offenders. We want assurances that the public is going to be protected. What our party is recommending is that the length of the sentences be increased to allow for parole, to allow for an adequate period of time for counsellors to deal with the problems of these young offenders so that they will be able to receive help and so they will not come back in to society more bewildered, more apprehensive and more bitter than before they went into our institutions. Hopefully then they will not again be recidivist statistics, they will not be committing further crimes and coming back into these institutions.

We need these additional periods of time, first of all so that the young people realize that these crimes they are committing are not jokes. These are not childish pranks they are doing. They must know that they cannot thumb their nose at authorities, particularly law enforcement authorities. There will be the period of time, even taking into consideration parole, for these young people to receive the instruction and the counselling and the rehabilitation that they need.

It is absolutely vital that this period of time be increased. It is a question of doing the job in this case. It is a question of whether this act is going to be relevant or whether it is not going to be relevant. Unless we have adequate periods of incarceration, this act is not going to be relevant.

What we are seeing now, and the most diabolical and most frightening aspect of youth crime, is that it is now a front for organized crime. Organized crime members are intentionally using young people under the age of 18 because they know they are not going to receive a long sentence if they are caught, and that if they are caught and receive a sentence, their parole possibilities are tremendous so that they will be out on the street in just a few months.

This has got to be stopped. We have to stop organized crime members from using our young people for their own insidious and damaging purposes as far as our society is concerned. Unless we are going to be realistic about the terms of incarceration, organized crime is going to continue to take advantage of our youth and our society as a whole.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I would like to speak on this amendment of my friend from Cape Breton and on my own amendment which is grouped with this. Let me just set the context for the House and for the Chair.

What the government is doing is making it easier to transfer people to the adult court. It is making some changes in the bill that we have agreed on in terms of where people are incarcerated and in terms of probation and so on. The big difference between the opposition and the government is that the opposition is saying:

"Treat children as children and keep them in the juvenile system".

As my friend from Cape Breton said, people are going to say: "That is fine, but the sentences are too light". We are saying: "You're right, so let's make the sentences tougher in the juvenile system". There is the difference. We want to keep the children in the juvenile system, not in the adult jails which are schools for criminals for these young people. We should simply deal with them in the juvenile system, but hit them in the juvenile system. When we have these offences, the young people should have to pay the penalty. I differ from my friend from Cape Breton who spoke last. I adopt a different sentencing procedure from his. I think his is excessively harsh, if I might say. I think this one would be preferable. I call it the three, five, seven option. As I said, we do recognize that they should be held accountable for their actions. Three years, in the case of some offences like murder and so on, may sometimes be insufficient for treatment. Some crimes require a strong response and the public believes three years to be an inadequate response to certain crimes. It is in the community's interest to ensure the best available treatment to youths. Young offenders will still have the benefit of the Young Offenders Act special presentations.

My amendment introduces a sentence which could be, for some crimes, three years and for others five years and for others seven years. But all within the juvenile system.

Overly long incarceration makes institutionalized young people, and we think it works against community integration, against the community's interest in the long run. That was told to us at the committee by the Canadian Foundation for Children, Youth and the Law. I draw your attention, Mr. Speaker, to the legislative committee on what was then Bill C-58 and now is Bill C-12, page 4:7 in the committee proceedings.

The second reason is that we recognize the need for a strong response, but we must place it in the context of a need for vigorous emphasis on eradicating the roots of criminal behaviour. Child abuse, poverty and learning disabilities are the things to attack. Those are the areas where we can really stop juvenile crime.

As the member for Cape Breton—The Sydneys said, when we have adults using juveniles to commit crime, then we have got to punish those juveniles, and harshly, but within the juvenile system.

The third reason is that seven years as opposed to a 10 year maximum proposed by my friend is already a very long time for a young offender. As the Criminal Lawyers Association and the Ontario Social Development Council pointed out, it represents half the life of a 14 year old, which is the threshold age at which a youth may be transferred to adult court. If you transfer them at 14 and give them 10 years, they will be spending half their life in jail.

In the adult court system, seven years is the first date for parole consideration in a case where an adult is serving a life sentence. Moreover, seven years in the youth court system is seven years to the day. There are no earned remissions. Seven years means seven years, unlike the adult system.

Finally, psychiatrists working in the field of youth justice say that five to seven years is sufficient framework to treat the most serious cases which come into the young offender system. If you do not get them then in that five to seven years, you will never get them.

Let me sum up by saying that I see what the member for Cape Breton—The Sydneys is trying to do. We are on the same side. My amendments I think follow a little more on what the witnesses were saying at committee and it is a little less harsh. In any case, I would be prepared to accept either one. I think that has to be put in there, as opposed to the government system, which is just to put them in the adult system. I think that creates more criminals. Let us hit them hard while they are still juveniles.

• (1540)

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I would like to say a few words about both these amendments.

With respect to the hon. member for Cape Breton—The Sydneys, I am not quite sure from which direction he is coming on this. He talked at one point about the necessity of increasing the penalties. He talked about the problem of organized crime. He made comments to the effect that people involved with organized crime know how young people will be dealt with in the youth system.

I am not quite sure what the upshot is of all his comments.

I think a few things should be very clear about the amendments from both the New Democrats and the Liberal Party, very clear in relationship to this and where they have been coming from on all these motions.

The first point I would like to make is that the Liberal Party member does not want any transfer available to ordinary courts. He is nodding his head and so I have that right. There would be no transfer. A completely separate juvenile justice system is what he is calling for.

He would probably remember the controversy surrounding the implementation of the Young Offenders Act. There would be overwhelming pressure from a lot of Canadians who would be quite concerned about the fact that there was no longer available a transfer to ordinary court, that 16 and 17 year olds who may commit very serious crimes will remain in the youth system. I can tell him that there would be considerable pressure from across this country to lower the age back to what it was under the Juvenile Delinquents Act.

As far as I know it was his party, as well as other political parties here, which were in favour of raising the age. I can tell them there would be considerable pressure to move that down if we abolish the transfer.

At the same time he indicates that he wants tougher penalties. I think anybody listening carefully to this debate would get confused and believe that somehow if we adopted the Liberal amendment that we in fact might have people liable for longer sentences.

Mr. Horner: Or the NDP amendment.

Mr. Nicholson: Or if we adopted the NDP amendment. They talk about young people paying the penalty, then they want something considerably less than what the government is proposing.

I should say that in terms of protection of the public and the incarceration provisions, I do not think they are at odds with the rehabilitation of the young person. I think the protection of the public and the rehabilitation of the young person go hand in hand. The protection of society involves making sure these individuals are not repeating their crime.

Getting back to this whole level of increased penalties, I thought I heard the member for Cape Breton—The Sydneys say that that is not the case. Under the law that the government is proposing, there is a transfer provision. Let us take the most serious case, that of murder. It is the one that gets a lot of publicity. It is the one that offends the most people, I would guess, those who write to members of Parliament.

When they talk about the Young Offenders Act they are often talking about individuals, a 17 year old for instance, who commits murder. Under the Liberal system the penalties would be increased in youth court to a maximum of 10 years and a maximum custodial sentence of seven years. That is their increased penalties.

The bill itself says that if that individual under the new transfer provisions is transferred to ordinary court, he or she is liable to life imprisonment. I find it difficult to reconcile talk that I have heard about the NDP wanting to get tough with the youth crime and the Liberals wanting to increase penalties. I cannot reconcile their amendments with what the bill actually says. The bill says that an individual transferred to ordinary court who has committed first degree, premeditated murder, is liable for life. That is what the bill says.

I would suggest to hon. members of this House that this is in line with provincial attorneys general, police officers, people who work with individuals in this area and the great Canadian public. This is what they are saying. They think something like this is reasonable.

One of the things that is an improvement is that the parole provisions have been changed. They are five and 10 years under the government's bill. There is a possibility of parole, but nonetheless for that most serious of all crimes in society, the maximum penalty under this bill is life. I would suggest that there is a little more to the story than what hon. members in the opposition are saying, that somehow we are increasing penalties when in fact the maximum penalty for the most serious crime in society is considerably less than in the existing bill.

The upshot of both of these motions is to kill the thrust of the government's bill which was to clarify the transfer provisions. These say basically that we are to try to reconcile and co-ordinate the interests of the young person with the protection of society. However we make

it clear in this bill where that cannot be done, where the protection of the public is paramount.

Both opposition parties do not want to see that in there. I can say that that position is at odds with what Canadians want and what Canadians have been telling us about the Young Offenders Act. I hope that this House has the good sense to turn down both these motions.

Mr. George S. Rideout (Moncton): Mr. Speaker, I think that as we take a look at this legislation and the very progressive amendments which have been put forward by the opposition parties, we realize that what is at issue here is not the goal, but the methodology. Quite frankly, the government's methodology is to take young people and transfer them into the adult system and let them be treated by the adult system.

I listened to the parliamentary secretary who made the point about somebody who commits a premeditated murder. He doesn't get the same penalties under the young offenders legislation, but if he goes into the adult system he would get a life sentence. This could be anywhere from 20 to 25 years, if you wish. You are taking somebody who is 15, 16 or 17, and then putting them back out on the street after 20 years. What you have then is a 35 year old person who has been abused by the system for 20 years and he or she is probably going to recommit.

I think what we are saying is that we want to try to find a different method. We feel that the basic approach is one of keeping youth out of the adult system. In that system, you are in effect saying that there is a failure. We are abrogating our responsibilities by putting them in the adult system and leaving them for the maximum period of time that we can get.

We realize on this side that there is a problem. I just have to quote the recent statistics that were in the media. Violence by youths rose by 34 per cent over four years:

> The number of youths in court charged with violent crimes has increased a staggering 34 per cent in the past four years, Statistics Canada reports.
>
> The figures released yesterday show that violence-related cases among youths aged 12 to 17, including homicides, robberies and sexual assaults, are up from 1986-87, when statistics were first collected.

It went on to point out that the report showed that more than 60,000 youth court cases were heard in Canada in 1990-91. In 9,013 of these, the principle charge was of a violent offence, in most cases assault, followed by possession or use of weapons and then robbery. There is no question that we have a problem. It is in the way of trying to find the solution to that problem that we differ with the government.

What this legislation does is make it easier for youths to transfer and end up in the adult system. More than likely we are going to destroy youths by putting them in that system.

At the same time, in trying to find the right balance, we agree that there should be increases in sentences. We believe that there are problems in the legislation, that they have not worked properly and that some youths look at being caught under the youth offender situation as a joke. You can talk to police officers who will tell you that you can almost set your watch as far as break and enters are concerned. This is because there are gangs of youths who get involved in break and enters, they get a light sentence of six months or something like that in a community home and they are back on the streets causing the same problems again.

We acknowledge that is a problem and that is why we on this side have suggested keeping them in the youth system, but increasing the penalties. Let the youths realize that they are going to pay for the crimes that they commit and that payment is going to be in time, their time. At the same time we believe there has to be a commitment to rehabilitation and, for want of a better word, to treatment for these individuals. We have to structure the system so that we are trying to salvage the youth in our communities rather than sending them off to university by sending them off to prison. That to us is not effective. It will create a situation in 10, 15 or 20 years where we will have some very highly trained criminals who have spent years and years in the adult system so that they are so-called university trained criminals. They will be very good at it when they are back out on the street.

• (1550)

We on this side are looking for is a solution to the problem. Youth have to pay for their crimes, but at the same time when we look at the causes of youth resorting to crime we as society have an obligation to them to make sure that they are not penalized by the system and

that they do receive help so that they can extricate themselves from that terrible situation of crime.

We would urge members opposite to see the wisdom of this far thinking and far-sighted amendment. They should adopt this progressive piece of legislation.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I find it quite interesting how people seem to talk about this matter with a great deal of confusion. They interchange words like "punishment", "rehabilitation" and "treatment", as if they are all the same thing. I really think we have to start looking at what our court system and our penal system do.

I used to have a professor in criminology many years ago who said that if we set out to design a penal system and a court system that would guarantee hardened criminals, we could not have done anything better than what we have done in Canada with our jails and our federal penitentiaries. We could not have done anything better to guarantee hardened, life-long criminals.

Let us not talk about transferring of juveniles and sentencing them to adult penitentiaries in the same breath that we talk about rehabilitation treatment. That is just so much malarkey. I wonder how many members in this facility have actually visited places like the old B.C. penitentiary or Kent Institution or Matsqui and have talked to inmates, particularly inmates who are young and vulnerable in that population, about what has happened to them. Did the the fact that they were raped contribute to their rehabilitation? Did the fact that they were abused by other inmates contribute to their treatment? Did the fact that they were manipulated by guards and correctional staff contribute to them becoming responsible adults?

We have to make a fundamental decision in this country. We on this side are saying that youth must be protected from the ravages of adult correctional facilities. Therefore we oppose transferring them, but we are saying that we should give the judges more options based on the ability and need to treat this person. We may not be able to provide treatment in less than three years or five years or seven years.

Who are these kids that we are talking about? There has been repeated documentation indicating that a percentage of these kids are offenders who have come from abusive homes, have been abused themselves, have failed in educational facilities, have learning disabilities and have psychiatric and emotional problems. We need time to provide treatment, but not treatment in a federal penitentiary. It should be treatment in a juvenile facility.

This is why I support my colleague's amendment which addresses periods of three, five or seven years based not only on the seriousness of the offence but on the seriousness of the youth's problems. That is a concept that somehow in all of this is being abandoned. What we are talking about is treatment and rehabilitation. That takes time. With some children their backgrounds are such that they have difficulty functioning in a community on a constructive basis.

I cannot help but comment on a remark that a lot of juveniles are being used in organized crimes because organized crime knows that they are not going to get lengthy sentences. For anybody so naive as to think that if we increase juvenile sentences organized crime is going to stop using them is nonsense.

I have worked on the streets of Vancouver where organized crime does not give a dang—I could use stronger language—about the fact that its exploiting 14 or 15 year old girls. It does not care that those youths are in danger of a long sentence of four, five or ten years. Those youth are endangering their lives from drug addiction, from being put at jeopardy with violent johns. Organized crime does not care. These kids are expendable.

If you think you are going to solve the problem of organized crime by increasing the penalties for juveniles, you must never have been involved with criminal behaviour in this country.

An hon. member: Have you ever said that?

Mr. Karpoff: The member asks: "Have you ever said that?" That was one of the arguments used for increasing the penalties, that it would stop organized crime from using youth. That argument has no bearing on it. We must have the ability to provide treatment, rehabilitation and education for youth at appropriate times and for appropriate lengths of times in youth facilities.

I commend my colleague from Port Moody—Coquitlam for his amendments. I think they are based on the

concept that we must provide appropriate treatment for these youth over a longer period of time.

There has been a lot of talk about murder. Murder is always the most difficult. We assume right away that because it is murder the youth is most dangerous to society and to himself. That is not necessarily so. Murder involving juveniles amounts to one-fortieth of one per cent of youth coming before juvenile or youth court. I do not thing that we should be designing laws and transfers and penal institutions based on one-fortieth of one per cent.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to continue along the same theme as my colleague from Moncton and the member for Cape Breton—The Sydneys.

We have found in my riding in downtown Toronto, Broadview—Greenwood, as in every other region of the country, that since this first Young Offenders Act was passed youth crime has doubled. As some members have said earlier, organized crime is now using the refuge of the Young Offenders Act to promote their dealings, especially in the area of drugs. I think it is really important that the government, in its review of this act, really takes some of these amendments seriously. The ability and the understanding of youth today with regard to this Young Offenders Act are so sophisticated that we are actually shackling the hands of our police forces. They do not feel that they can really develop any kind of an honest program of rehabilitation or even crime control because the youth use the refuge of this Young Offenders Act. The youth use this refuge and the criminal element is exacerbating the situation by adding to the numbers of people involved in youth crime because of its excessive support.

• (1600)

Any sort of review or any amendment to this act that does not take that reality into consideration is really avoiding or not listening to the advice of our police forces from coast to coast. We are not listening even to the parents of a lot of these children. I am actually hearing in my riding from some of the parents. Some of them may not have the economic resources to support their children as well as they would like and as a result the children are using all means they can to make their way through society. Of course when they know they have the protection of the Young Offenders Act as it is structured right now, they are literally getting away at times with murder.

I think we have to be very dramatic in our reform of this bill. I think we have to listen and support not only our police forces but our community service agencies that are pleading with us to give them the tools to help rehabilitate those youth in our society that are using this act for their own negative purpose, which is ultimately causing a disservice to everyone in our community.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I could not help but note the good remarks of the member from Moncton. In the statistics that were cited, the 34 per cent increase for the period of time noted completely excluded the province of Ontario, Canada's largest and most populous province with its most populous urban area. Those statistics actually underestimate by a long shot the frightening increase in crime by youth and young offenders in this country.

We have to keep in mind that the purpose of this Young Offenders Act is to try our very best as a society to salvage a young life, to salvage it before it goes the way of the classic criminal life. These proposed amendments are premised on the assumption that we as a society are more likely to salvage a young life if the young offender is dealt with in the youth offender system rather than the adult system.

If we have to toughen the laws and increase the sentences, as we are going to, the thrust of these amendments is that the increased sentences to be spent by young offenders should be more appropriately spent in the young offender system rather than the penitentiary system.

Since the thrust of the government's amendments to this act is to better enable a transfer to the adult system, there is a fear on the part of the opposition and among a number of members that there will be a greater tendency or a predisposition to transfer more young offenders to the adult system and thereby lose the opportunity to salvage what is left of that life.

I wanted to point that out so that it would be on the record. There may be from time to time some apparent inconsistency as the opposition and government debate this but our position is that the young offenders ought to

be given as much chance as society can possibly give them in the youth offender system.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): I remind all members that an affirmative vote on motion No. 8 will obviate the need to put the question on motion No. 9.

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

Some hon. members: No.

Some hon. members: Agreed.

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

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please say nay.

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 8 negatived.

The Acting Speaker (Mr. DeBlois): A negative vote on Motion No. 8 will require the question to be put on Motion No. 9.

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

Some hon. members: No.

Some hon. members: Agreed.

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

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please say nay.

Some hon. members: Nay.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion lost on division.

Motion No. 9 negatived.

[*Translation*]

The Acting Speaker (Mr. DeBlois): 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 Westminster—Burnaby—Child care; the hon. member for Edmonton East—Carbon dioxide emissions; the hon. member for Nepean—World Summit for Children; the hon. member for Don Valley East—Employment; the hon. member for St. Boniface—Linguistic minorities.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 10

That Bill C-12 be amended in Clause 5 by striking out lines 15 to 22 at page 7 and substituting the following therefor:

onment imposed in ordinary court, the young person shall, until attaining the age of eighteen years, serve the disposition, or any portion thereof, in a place of custody for young persons, unless it is considered in the young person's best interests not to do so, and after the young person has attained the age of eighteen years, the young person, in the discretion of the provincial director, may serve any remainder of the disposition or sentence in a place of custody for young persons until attaining the age of twenty years, or in a provincial correctional facility for adults or, where the unexpired portion of the sentence is two years or more, in a penitentiary.

He said: Mr. Speaker, we basically dealt with this in the other amendments so I ask leave to withdraw No. 10.

[*Translation*]

Motion No. 11 is a French translation, and we could discuss motions 12 and 13. I wish to speak to Motion No. 12, Mr. Speaker.

• (1610)

[*English*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I respect the point of view of my hon. friend but I understand that the motions are still before the House and I still have an opportunity to speak. I wanted to talk about the youth court.

It has been stated that we are trying to mislead—

The Acting Speaker (Mr. DeBlois): Order, please. I understand there is not unanimous consent to withdraw Motion No. 10.

Mr. Waddell: Point of order, Mr. Speaker. I did not realize that the hon. member for Cape Breton wanted to speak on No. 10 and so I will not ask—

Mr. MacLellan: I can speak on the other.

Mr. Waddell: All right. We have pretty well done Nos. 10 and No. 11. I would ask for unanimous consent to withdraw those two and I would like to proceed on No. 12.

Mr. Nicholson: I agree with the hon. member for Port Moody—Coquitlam about the withdrawal of motion No. 10. I am not sure he would want to withdraw motion No. 11. I believe the wording suggested by him in No. 11 is better than what is now in the text of the bill. I suggest that he withdraw No. 10 if he likes but I believe No. 11 should be called by the House because the wording suggested better reflects the sense in both official languages.

Mr. Waddell: Mr. Speaker, I would agree with that. I gather the government is going to accept my amendment. I could use one break today anyway, so I will accept that.

Perhaps we could proceed with No. 11.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to withdraw motion No. 10?

Some hon. members: Agreed.

[*Translation*]

Mr. Ian Waddell (Port Moody–Coquitlam) moved:

Motion No. 11.

That Bill C–12 be amended in Clause 7 in the French version

(*a*) by striking out line 43 at page 7 and substituting the following therefor:

"motifs raisonnables de croire que l'adolescent"

(*b*) by striking out line 27 at page 9 and substituting the following therefor:

"motifs raisonnables, l'être sous forme écrite, il"

(*c*) by striking out line 17 at page 12 and substituting the following therefor:

"(*b*) l'obligation de faire les efforts raisonnables".

[*English*]

He said: This is an amendment dealing with the different wording, especially *les mots en français*. I think it speaks for itself.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The question is on motion No. 11 standing in the name of Mr. Waddell. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 12

That Bill C–12 be amended in Clause 7 by striking out lines 13 to 18 at page 9.

He said: Mr. Speaker, I would like to speak on this motion. The proposed section set out in this bill directs the court to take into account a number of factors in deciding whether to grant a youth conditional release from custody.

These factors include evidence of a pattern of persistent violent behaviour, psychiatric or psychological evidence of a physical or mental disorder or illness, reliable information that the young person plans to cause the death of or serious harm to another person, and whether alternative measures, treatment, and supervision are available in the community.

In my view the latter factor, whether alternative measures, treatment and supervision are available in the community, is unnecessary. It is an anomaly on the list and it should not be there and so my amendment would cut it out. The reason to me is obvious. Why should it be a factor for the young person who is being released or being tried in this matter whether there are places available in the community. There should be places available in the community. It is not for the young person to get them. It is up to the authorities to put them there.

It should not be part of judging whether a person can be released, whether there are facilities available in this case. That is the point of the amendment.

When I raised the question in committee, that requiring the court to consider whether supervision, alternative measures and treatment were available in the community could work against the youth, I think it was argued that it was a good proposal. I do not believe that

the provinces spend enough to ensure the availability of such supervision, treatment and alternative measures.

That problem has been further compounded by the federal government's decision in May 1989 to freeze the federal government's financial contribution to juvenile justice programs and services for a period of five years, and that finally, directing the court to consider this factor might effectively punish the youth, as I have said, for a lack of commitment of human and financial resources exhibited by both levels of government.

What the federal government has done is made the province provide the facilities and then some poor accused kid comes before the court and it says: "We can't release you because the facilities aren't there". I do not think that is the way to go at all.

I do not think it is encouraging that this factor comes at the end of such a grim list. I do believe that it will be subject to the type of negative interpretation that I have just described. That is the gist of my amendment.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I understand the gist of the motion of the member for Port Moody—Coquitlam. I understand exactly how he feels. There is an inequity here. The problem is that there should not be this distinction that peoples in areas where we do not have availability of supervision should not be punished.

The problem is that in areas where there is the availability of supervision people incarcerated in that area may not get the advantage of the fact that that availability is there, so they may not be able to get the benefit of the doubt. It is a very difficult point. Do we go for the uniformity which I think my friend and I both would like to see in the act and feel should be in the act? Do we vote for this not to be there and deny those young offenders, who are in areas where they can take advantage of this provision and thereby be able to be on parole earlier, the right to be able to take advantage of that and to be out of incarceration that much earlier?

There is a real problem here because of the nature of the act and because of the federal-provincial involvement. This is not the only example of this. It is involved in the transfer provisions.

My learned friend, the parliamentary secretary, has mentioned some of this. He talks about the fact that we are blind to the fact that those who commit murder can get life. That is a very stiff penalty and so there are stiff penalties in this bill. I agree with my colleague from the NDP who announced that one-fortieth of one per cent of the young crimes are actually murder. That is the problem.

• (1620)

We are not dealing so much with the murders, as horrendous as they are, we are dealing with youth crime in general. The problem is that now under the Young Offenders Act the charges laid will result in very short penalties, and we feel that the penalty should be longer to give more time for treatment and training and consultation in incarceration for those young people who need this, so that when they come out they are more aware of how to live within society. That is very important, not only from the point of view of punishment and deterrents, but it is a rehabilitation. There is time needed.

We had before the standing committee witnesses who said they object to the transfer provisions because it is wrong to put these young people in adult institutions. We feel, as my colleague from Port Moody-Coquitlam has said, that you really do not need more than five years. These witnesses acknowledged the fact that there are situations in which maybe some people do need more than five years to be fully rehabilitated. While they probably did not want that in the bill, they did not object to that too much as long as the youth court would be making the sentencing and that the offenders would be in a youth facility.

The transfer provisions are very, very unfair. The province of Quebec has probably the best record of any province. Only about 20 per cent of young offenders are transferred to adult courts. In one province as much as 80 per cent of young offenders are transferred to adult court. That is because of the large native population in that province. This is discrimination. It is blatantly unfair and something has got to be done to deal with that unfairness. We cannot allow that to continue.

I think what we must get is fairness in the system. We must get equal opportunity and equal treatment across the country. We must get proper time for young people to be able to receive their rehabilitation and treatment, and we must get a fair period of incarceration so that we can have this.

It has been said that organized crime will not be influenced by the fact that the youth will get a longer period of time. In most cases organized crime cannot make the youth do anything they do not want to do. The youth are more susceptible to committing these crimes if they feel that they will not get a long period of incarceration. The longer period of incarceration may cause them to rethink exactly whether they want to become involved in that. I do agree that there is a tremendous inclination here for our young people to become involved in crime and to be subjected to the influence of organized crime and adult criminals. Hopefully this can be addressed but it is certainly not going to be addressed with this bill.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, first of all just a point of clarification to make sure we all understand. Motion no. 12 is grouped with No. 13 and I did not hear hon. members address motion no. 13.

The Speaker earlier today ruled that a group of motions would be put together, and I think it is a good way to proceed. I would like to address my comments both to motions Nos. 12 and 13. If the hon. member who proposed No. 13, the hon. member for Port Moody—Coquitlam, would like unanimous consent to re-enter the debate and talk about motion No. 13, that would certainly be acceptable on this side.

The Acting Speaker (Mr. DeBlois): Order, please. I apologize for interrupting the member. I think motion No. 13 will be debated separately. We are on debate on Motion No. 12.

Mr. Nicholson: That is fair enough, Mr. Speaker.

I heard the Speaker this morning say they would be grouped together, but it is neither here nor there. I will confine my comments then to motion No. 12.

Motion No. 12 removes one of the considerations that would be before the court and, as the government thinks, should be before the court in determining the release of an individual who has been convicted of murder.

This section and the criteria involve the case of a young person, say a 17 year old , who has been convicted of murder but has remained in the youth court. The government has suggested that there would be a three year custodial sentence and a two year period of supervision.

I suppose I ask the public and I ask you, Mr. Speaker, and the House to see whether it is fair for a judge considering the application to release an individual who has been convicted of murder to take into consideration: "The availability of supervision programs in the community that would offer adequate protection to the public from the risk that the young person might otherwise present until the expiration of the disposition the young person is then serving".

We have heard the debate. Some would say it is unreasonable to put that section in there. I am suggesting to the House that when we are about to release an individual who has been convicted of murder, we should consider whether there would be adequate protection to the public from the risk of a young person and whether there is adequate supervision available. I think it is reasonable to put it in.

Others may disagree, and as a result I hope the House turns down the motion by the NDP to have that removed as one of the considerations that a judge has at his disposal.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I rise again to support my colleague in his amendment. I do so from the basis that what is happening here is basically an application to be released.

The government is responsible for providing adequate supervisory services. That is the government's responsibility. It is not the youth's responsibility. What you are saying is if collectively we the community and the government have not met our responsibility, we are going to punish the youth. We are going to leave them in custody.

We are not saying: "Look, if we failed to provide these resources that should be there, we are going to punish ourselves". We are saying: "We are going to put the onus on the youth". Again, let us think of who we are talking about.

These are kids who have been in difficulty. Most of them have been in difficulty all their lives. They have been incarcerated and now they get ready to be released and somebody comes along and says: "Look, I am sorry.

We decided to not provide adequate supervision so you have to stay in jail".

I particularly find this offensive in view of the record of this government. It has put a ceiling in 1989 on cost-shared programs. It has stopped providing the provinces with funds to develop these services and so its solution is: "Let's just change the law to punish the youth some more".

It is time society started taking its responsibility for these children fully, and stop putting the blame on them and not always taking the attitude: "If we fail, we will punish youth".

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

• (1630)

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 12 negatived.

Mr. Ian Waddell (Port Moody—Coquitlam): moved:

Motion No. 13

That Bill C-12 be amended in clause 7 by striking out line 23 at page 13 and substituting the following therefor:

"person has breached a"

He said: Mr. Speaker, this clause in the bill concerns the provincial director having reasonable grounds to believe that a young person has breached, and here are the words, "or is about to breach a condition of an order made under a subsection, he can do as follows".

Other sections of the bill are similarly worded. I believe that these sections should be amended. I have proposed an amendment to remove the phrase "or is about to breach" as a condition of the youth's conditional supervision. The provincial director is about to release the youth on conditional supervision.

In my view the phrase "or is about to breach" grants too much arbitrary authority to the provincial director and other law enforcement officers and runs contrary to the statement of principles in this particular bill. It specifically interferes with the affirmation that the freedom of a young person should be interfered with as little as possible. In other words, if the provincial director has reasonable grounds to believe that the young person has breached his probation then hit him, but "is about to breach his probation" is pretty wide and could be abused. That is the content of my amendment.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the "about to breach" section would cover the case of an individual who is under supervision after having been convicted of murder. Very often there would be conditions concerning the individual's release. I suppose one of the most common is that he or she would have to remain within a jurisdiction. For instance, this section would cover a case when the individual might purchase airplane tickets. Reasonable inference could then be drawn that the individual may be trying to leave the jurisdiction.

Therefore I do not think there is anything unreasonable about it at all. There is a review process. There is the caveat that there must be reasonable grounds for believing this. I do not think it is out of line.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion.

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 13 negatived.

The Acting Speaker (Mr. DeBlois): Motions Nos. 14, 15, 16 and 17 will be grouped for debate.

[*Translation*]

Mr. Russell MacLellan (Cape Breton—The Sydneys) moved:

Motion No. 14

That Bill C-12 be amended in Clause 7 by striking out line 36 at page 13 and substituting the following therefor:

"section 26.3, a justice may, on application therefor by the provincial director,".

[*English*]

Motion No. 15

That Bill C-12 be amended in clause 7, by striking out lines 4 to 48 at page 14.

[*Translation*]

Motion No. 16

That Bill C-12 be amended in Clause 7 by striking out line 7 at page 15 and substituting the following therefor:

"forty-eight hours after the remand to custody, or after becoming informed of the arrest, as the case may be, either cancel the suspension of".

[*English*]

Motion No. 17

That Bill C-12 be amended in Clause 7 by striking out lines 13 to 30 at page 15, substituting the following therefor:

"26.5, the provincial director shall forthwith cause the young person to be brought before the youth court, and the youth court shall, after affording the young person an opportunity to be heard, review the decision of the provincial director to suspend the conditional supervision and shall make an order under subsection (2)."

He said: Mr. Speaker, I might add at the outset that the reason we are not pushing for a recorded vote on some of these amendments is that the bill is so flawed that even if these amendments are approved the bill is not going to be much of a help in dealing with the problems of youth crime and urban crime. However we would like to improve the bill as much as we can, and there are some places where this bill can be improved.

I would like to deal first with Motion No. 14. It relates to page 13 and strikes out line 36, which says: "The provincial director may issue a warrant in writing authorizing the apprehension of a young person, and until the young person is apprehended the young person is deemed not to be continuing to serve the disposition the young person is then serving".

It is our feeling that this should not be the responsibility or the role of the provincial director, that this is subject to a good deal of abuse. The provincial director can very well become personally involved in a particular case and develop a particular attitude toward a young offender and may not be in a position to deal with it on an impartial basis, while a judge would be.

We are recommending that a justice may on application by the provincial director issue this right. This may seem to be a difficult and very time consuming process, but really it is not. An application can be made very easily and if the proper substantiation is given it would be granted. A matter of this importance should be the responsibility of a justice and not the provincial director.

Motion No. 15 asks for the striking out of lines 4 to 48 on page 14. The most important section of this and the one that really sets out the objection is subsection 3 starting on line 4: "Where a peace officer believes on reasonable grounds that a warrant issued under subsection (1) is in force in respect of a young person the peace officer may arrest the young person without the warrant at any place in Canada".

This is outrageous: "Where the peace officer believes on reasonable grounds". There is no reason that the peace officer cannot assure him or herself that the warrant is issued. There are computers, fax machines, all sorts of communications that police departments and police officers have linking each other that can provide this information.

My colleague, the hon. member for Port Moody—Coquitlam, said that a prior motion gave grounds for abuse. Certainly this can give grounds for abuse. It is a subjective test. If the peace officer acted arbitrarily, and grossly arbitrarily in some cases, there is no way of disciplining this peace officer because the peace officer can say that he or she believed.

It is so open-ended and such a big loophole open to abuse that I think it should be corrected.

• (1640)

I would ask the government to do so.

The next one is with regard to clause 16, on page 15, striking out line 7 at page 15 and substituting the following therefor: "forthwith after being informed of the arrest of a young person, the provincial director may review the case and within 48 hours' cancel the suspension of the conditional supervision".

I would suggest that the 48 hours is not sufficient because it says: "the provincial director shall review the case". That is the first portion of that. The second one is: "within 48 hours".

How long is it going to take the provincial director to review the case? How long would it normally be necessary to review a case? The section states: "48 hours after reviewing the case". I think that again leaves a reason for abuse so we are saying: "48 hours after the remand to custody or after becoming informed of the arrest, as the case may be" to cancel the suspension of the right. I think it puts much more of a burden on the authorities to deal with this expeditiously and not, once again, to give grounds for abuse which can occur.

With respect to Motion No. 17 it says striking out lines 13 to 30 on page 15. I just want to read a portion of it: "Where the case of a young person is referred to the youth court under section 26.(5), the provincial director shall, as soon as practicable".

"As soon as practicable" is not very good wording. It is not even good legal wording. I just do not think there would be any way of predicting what "as soon as practicable" would mean. I think it once again opens lots of opportunity for abuse, once again at the expense of the offender, once again at the proper disposition of justice in this country.

We are saying that term should be replaced and should read: "the provincial director shall forthwith cause the young person to be brought before the youth court" to tighten this up and to make this system, if this bill passes, which we hope it will not, at least in some moderate ways more efficient and more realistic to the needs of the young people and the needs of society. We hope these motions are successful.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, we are dealing with Motions Nos. 14 through 17. Beginning with Motion No. 14, the hon. member from Cape Breton—The Sydneys is suggesting an extra process should be involved with the issuance of warrants.

The people we are referring to are those people I referred to earlier who have been convicted of murder and they are in the two-year supervision portion of their sentence. The section refers to an instance in which if a provincial director believes a breach has occurred of the conditions upon which this individual is free he may issue a warrant.

The member from the Liberal Party has suggested there should be a two-step process and that therefore you should apply to a justice. I agree with him that society moves very quickly, that there are fax machines and so on, but my comments on this are the same as I will make on the next one. There may not be time. There may not be time to have a number of applications for an individual whom the provincial director believes has breached the privilege to be free. I do not think it is necessary to have an extra step. It is judicially reviewable and I think the House should turn down that motion.

Likewise with Motion No. 15 which says that where a peace officer believes on reasonable grounds that a warrant issued under subsection (1) is enforced he or she may arrest that young person with a warrant in any place in Canada.

In a perfect world when somebody who is out free after having been convicted of murder and a police officer believes there is a warrant out for that individual's arrest we would want to give them every benefit of the doubt because they may not be the person. However time is of the essence in most of these cases. Again, these are subject to judicial review. I might add that these provisions parallel those in the Parole Act as well. They are consistent with other provisions of the Criminal Code.

Quite honestly I am not sure what clarification Motion No. 16 adds. I think the section is pretty straightforward, and I will not read it again. I do not see what value there would be in accepting the recommendation.

Under Motion No. 17 the individual is brought "as soon as practicable" before the court, or the individual is brought forthwith to the court. I do not think, as does the hon. member, that the former wording leaves a huge hole for abuse. As well I note that he also removes the burden of proof from the individual who appears before the court. I think that goes far beyond just tightening up the language.

I do not see any particular improvement in the last two amendments. As for the first two I have serious concerns about adding any extra process in a case where somebody reasonably believes that someone has breached the conditions under which they have been released for murder.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): I remind all members that a vote on Motion No. 14 will be applied to Motions Nos. 15, 16 and 17. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 14 negatived.

The Acting Speaker (Mr. DeBlois): Motions Nos. 19, 20, 22, 24 and 26 will be grouped for debate. Each of them deleted a clause of the bill. They will be grouped for debate but each will be voted upon separately.

[*Translation*]

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 19

That Bill C-12 be amended by deleting Clause 14.

Motion No. 20

That Bill C-12 be amended by deleting Clause 15.

Motion No. 22

That Bill C-12 be amended by deleting Clause 16.

Motion No. 24

That Bill C-12 be amended by deleting Clause 17.

[*English*]

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Cape Breton—The Sydneys.

Mr. Russell MacLellan (Cape Breton—The Sydneys): In light of the motions that have been defeated prior to this I do not feel that motion No. 26 will really add anything and I am prepared to withdraw it.

• (1650)

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for withdrawing motion No. 26?

Some hon. members: Agreed.

Motion No. 26 withdrawn.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I will speak to these amendments together. They would delete certain clauses of the bill. Those clauses were designed to amend the parole provisions of the Criminal Code in order to relax parole ineligibility periods for young offenders convicted in ordinary court of first and secondary murder.

Our basic position was and still is that we would like to deal with juveniles as juveniles. We want to deal with them in juvenile court. If we send them to adult court they are going to be adult criminals.

That means facilities. The provinces have to provide the facilities and the federal government has to help them with some money. It means also, as my friend from Cape Breton—The Sydneys put it very well today, that we are not being tough on them. We are gong to hit them hard but we are going to hit them as juveniles.

Finally we are going to attack the whole notion of why there is crime by juveniles. It is because of poverty, child abuse, literacy and other factors, with the difficulties they present.

That is the way to approach juvenile crime. We should not be blown away. The *Toronto Sun* and the *Sun* newspaper chain had a big story. It continued every day, as one witness told us. It was featuring, featuring and

featuring the fact that someone got three years for murder in Scarborough.

The person got three years for murder because it was a mistake. Neither the Crown counsel or the defence counsel asked that the person be transferred to adult court because they thought the person was going to be declared insane and therefore be locked up for even longer, perhaps for life. That did not happen so the person got three years. It was wrong, but it does not mean that the whole act is wrong.

People did not focus on that. The judges have a terrible choice. On a murder case the choice is either three years or 25 years. We have tried to make some changes so they would not have to face that choice.

If transfers are not abolished then relaxation of parole ineligibility seems to me to be the next best option.

Let us deal with a youth as a youth. Let us have the facilities and let us try to eliminate the causes.

I have to be careful of the rules of this House. I am not supposed to comment on how many people are in the House. Let me put it this way. It is not exactly overflowing.

The fact is that Canadian people are really interested in young offenders. I just want to conclude by saying that these are the last of my motions. I am particularly pleased that the parliamentary secretary has been amenable to a couple of amendments. I wish he would accept another couple of these. Perhaps he might consider them.

I am especially pleased with the co-operation of the member for Cape Breton—The Sydneys who was solid as usual. Mr. Speaker, I thank you for listening to me, at least today.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I just want to take a few minutes to enter into this debate for a number of reasons. First, I would like to pay tribute to the work the hon. member for Port Moody—Coquitlam has put into this bill over the years.

This bill has been around a long time. In addition to his many other duties he has done an excellent job of helping to focus the debate in this country on the real issues involved in this Young Offenders Act.

Second, I would also like to recognize that in my own community of Prince Albert this is a very lively issue. It is an issue that was debated from many different sides because Prince Albert is a community that has a number of correctional facilities, including a federal penitentiary, provincial jail, a women's jail, and other facilities.

As well it has a school of human justice run by the Gabriel Dumont Institute, a native institution that is trying to grapple with the emerging justice issues in the native communities. Many of these issues are very hotly debated within our own community and I want to pay tribute to the contribution people in my own community have made to this debate.

A number of points that have been made here do deserve underlining. A number of points have been eloquently made by other members. Certainly principal among them is the need to get at the causes of crime. Dealing only with the consequences and the correctional aspect of crime, with what happens after a crime has been committed does not solve the problem at all.

The problems of abuse, poverty, illiteracy, and hopelessness—youth seeing no future for themselves—are endemic in many communities and certainly in my own.

I would feel much better about this kind of legislation if I saw a concurrent commitment to deal with the causes that lead young people to be in trouble with the law in the first place.

I do not see that kind of commitment to deal with the causes of crime. Therefore I am somewhat sceptical about the underlying philosophy which is driving this whole process forward.

Second, I am somewhat disturbed and certainly disappointed that this whole process has not taken into account the whole question of the emergence of a distinctive aboriginal view on justice matters. Many of the young offenders in this country are of aboriginal ancestry. Certainly in the province of Saskatchewan, my own province, too high a majority of the young offenders are of aboriginal ancestry.

This legislation does not recognize that there may well be an unique situation within our country that might call for unique responses. Looking at what is happening elsewhere in the country, the Manitoba justice inquiry and inquiries under way in my own province of Saskatchewan and in Nova Scotia, I think that we are all becoming aware that there is an emerging recognition in this country that we need to evolve an approach to justice issues unique to the aboriginal community. That would serve not only the aboriginal community but the whole community by ensuring that the aboriginal people in our communities are in a position where they feel that

the justice system works as well for them as for everybody else.

Last, in keeping with that I would like to pay tribute to people in our community who are preparing a proposal to establish a healing lodge for aboriginal women prisoners who will be sentenced to our community when the Kingston penitentiary for women is closed. I think the process being undertaken by that particular group is one to which all of us should pay attention. This group of people is concerned about justice issues, corrections, and the security and future peace and order of our communities but are using a healing approach.

I do not see any recognition of the need for healing in this legislation before us. I see legislation that in many ways deals with justice issues from a punishment point of view and not from a healing point of view. That is the approach that we need to take in our country and I just wanted to put that on the record. I think that is the direction we need to go in the future, not the direction that is incorporated in this bill.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

An hon. member: On division.

• (1700)

The Acting Speaker (Mr. DeBlois): The next question is on motion No. 20 standing in the name of Mr. Waddell. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

An hon. member: On division.

Motion No. 20 negatived.

The Acting Speaker (Mr. DeBlois): The next question is on motion No. 22 standing in the name of Mr. Waddell. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

An hon. member: On division.

Motion No. 22 negatived.

The Acting Speaker (Mr. DeBlois): The next question is on motion No. 24 standing in the name of Mr. Waddell. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

An hon. member: On division.

Motion No. 24 negatived.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it. Carried on division.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): When shall the bill be read a third time? At the next sitting of the House?

Some hon. members: Agreed.

PRIVATE MEMBERS' BUSINESS

[*English*]

HEALTH

FAMILY PLANNING

Ms. Dawn Black (New Westminster—Burnaby) moved:

That, in the opinion of this House, the government should consider the advisability of taking action to reduce the numbers of unwanted pregnancies in our society by reinstating a Family Planning Division at Health and Welfare Canada; reinstating funding to the Planned Parenthood Federation of Canada at its previously adequate levels; establishing new programs to combat sexually transmitted diseases and unwanted pregnancies; establishing a national clearinghouse on family planning; and increasing funding for research on safe and effective methods of birth control.

She said: Mr. Speaker, I could quote a lot or statistics to you, and I will later, but first I want to make it clear in very human terms what we are discussing here today.

A young woman walked into a clinic recently to get the results of her pregnancy test. Her period was late but she had always used birth control and she did not seriously think that she could be pregnant, but the test results were positive. She sat in that clinic and cried for 20 minutes. She had to decide whether she should quit school and go on welfare to raise a child, whether she should have an abortion or whether she should go through nine months of physical discomfort and emotional bonding and then give her baby up for adoption. The father was also young and unemployed.

There are consequences for all of society on each of these decisions. They all involve a great deal of spending on health care, on social service agencies and social assistance. They embroil our society in emotional debates and all of it is preventable.

One in six Canadian teenagers will experience these decisions because they were not educated thoroughly enough about family planning or did not have access to safe and effective contraception. They think that condoms are foolproof. They do not know that condoms fail

12 per cent of the time. One in 10 times that a couple uses a condom it will fail if it is not used in conjunction with spermicidal foam.

Many people from teens to seniors do not know that. Even with spermicide, condoms are not a 100 per cent effective form of birth control.

A McMaster University study which was released just today has clearly shown a link between family planning programs and a reduction in teenage pregnancies. Sheltering teens from information about birth control and sexuality simply results in unwanted pregnancies, fear, guilt, shame, abortion or single parenthood spent in poverty.

The study in question was a comprehensive research project on teen pregnancies, abortion and family planning. It was conducted in Ontario over a 10-year period.

The report begins with two sentences. The first is: "It cannot happen to me". That is what teenagers and even some adults think. The other is the institutional response: "We do not have that problem in our school, in our group". The study concluded that the substantive decline in adolescent pregnancy in Ontario paralleled the growth of preventive programs.

In Ontario, public health units have been offered 100 per cent funding to provide comprehensive family planning. Not every one lives in Ontario. Access to family planning is uneven across this country and is especially uneven in schools. Fifty per cent of Canadian schools have no family program planning of information, although a poll showed that 83 per cent of Canadians feel family planning should be a part of school programs, 83 per cent.

Some people believe we should rely on parents to impart family planning knowledge to their children. In many cases, parents themselves do not have enough information to guide their children.

A large percentage of Canadian adults are ignorant about family planning issues. Parents do not always feel comfortable about discussing these issues with their children and some parents are morally opposed to telling their children about birth control.

Although I have focused my comments on unwanted teen pregnancy, I am hoping for education and action that is aimed at adults as well as adolescents. A Gallup poll also found that 46 per cent of Canadians felt they had too little access to contraception and family planning

services. That is rather bizarre in an industrialized country like Canada.

Some people assume that everything is okay, because Canada has a low fertility rate. There are over 66,000 abortions performed in Canada every year and much of that pain, the agonizing of that decision, is preventable with proper access to contraceptives and family planning education.

It is well known in this House that I believe strongly in a woman's right to choose. That right to choose must include accurate and accessible family planning education. No one wants to face an unplanned or an unwanted pregnancy and have to make that decision about whether to have an abortion.

One of the few sources of family planning education is Birthright. It draws in young women with a promise of a free pregnancy test and confidential counselling. Once that young woman is drawn in, she is inundated with anti-abortion propaganda. We cannot let this stand as one of the few sources of information for women. Not giving people information about reproductive health leads not to abstinence, but to unwanted pregnancy and to abortion.

Catholic girls and women have the highest abortion rate of any identifiable religious group in our society. Everyone is entitled to accurate information about their own bodies. Lying to people, misleading people or blocking their access to information is really what is immoral. It was only in 1969 that the dissemination of birth control information became legal in Canada and perhaps this is one of the reasons that Canada lags so far behind in this area.

Many of us have grown up in silence about these matters and some feel that everybody today already has adequate information about contraception.

A study from the Health Science Centre in Winnipeg indicated that the pregnancy rate for adolescent girls in Canada is five times the rate in the Netherlands and three to four times higher than in Scandinavian countries where contraceptive information is school-based and readily available to the public.

• (1710)

Twenty-six per cent of Canadian grade nines and over half of Canadian grade eleven students do have sexual intercourse, that is the reality.

A 1988 study found that the majority do not use contraception on a regular basis. They believe again that it cannot happen to them. Over 66,000 abortions are performed in Canada every year. Most of these are preventable with knowledge and access to family planning information.

Our children learn information about sexuality from television and movies in which actors do not stop to use contraception, that is not part of the script. They learn from pornography, they learn destructive roles and behaviour and they learn lies about their own bodies and about their own self-worth as people.

Unwanted pregnancy can lead to poverty, misery, crime and escalating health costs due to increased abortions. This is no trivial matter. It is a national problem.

Since last year when the Senate defeated the proposed abortion legislation there has been no movement in this area at all. This motion that I am presenting today fills the very needed gap in our society.

The government has stated that it is committed to family planning, but has taken no legislative steps in this area. This motion provides the government and all members of this House an opportunity to express themselves on this matter that is so important to Canadian society.

Everything that I have mentioned in the motion is a federal responsibility. The federal government has already played a role in this area. What is shameful about the whole situation is that the federal government has been decreasing its role in this area for over a decade now. Access to family planning education is very uneven across the country. The previous government, the Liberal government, began to decrease funding to planned parenthood from $627,000 in 1977 to $237,000 in 1984 when it was voted out of office.

The Conservative government decreased the funding from $237,000 to $146,000 in 1989-90 at which level the funding has been frozen until today.

Year after year the value of the funding decreases because it does not keep up with inflation and so you have the situation in which the funds have been cut back, cut back, cut back and there is no consideration of inflation.

The government itself disbanded the Health and Welfare Canada Family Planning Division in 1985.

A current proposal to establish a non-governmental sexuality information and resource clearing house is in jeopardy because no further federal dollars are forthcoming. Although the initiators were given start-up money to do the research, there is no money to continue the program now that all that work has been done. It seems like a foolish waste of money to hand them this money for the start-up costs and the research to plan a program and then not to fund it for a period of time until it can become self-sustaining.

Not spending money on family planning is very short-sighted. Family planning is a cost saving measure. Not spending a few dollars on family planning now means spending a lot more later. Not spending money on the prevention of sexually transmitted diseases now means spending a lot more later on health care and infertility treatments.

The choice is not between spending money on family planning now or reducing the deficit. It is between spending some money now or a heck of a lot more a few years down the road.

Since the defeat of the abortion bill last year there has been little discussion, as I said, in this House about family planning issues. I do not think there has been any discussion.

The motion I introduced today states that the House believes the Family Planning Division at Health and Welfare Canada should be reinstated. Health and Welfare engages in a number of primary prevention activities. It launched a national anti-smoking and anti-drug campaign. Unwanted pregnancies also endanger the health and well-being of individuals. Sexually transmitted diseases threaten the health, life and future fertility of individuals and the health of any infants born to a person who is carrying this sexually transmitted disease.

Many of the provinces have not picked up the slack from the federal withdrawal in this area. In fact, with health care funding to the provinces diminishing, provinces are now in a worse position than ever to even begin to pick up the slack.

In this day of AIDS, education on prevention of sexually transmitted diseases and unwanted pregnancy is all the more important. We must break down that "It can't happen to me" attitude. We will only do that through education.

When I checked last year to see who at National Health and Welfare was working on family planning issues, I found only one full-time staff person out of the whole, huge health and welfare bureaucracy. It is a huge bureaucracy and only one person was working on family planning issues. That says a lot about where family planning is on this government's agenda and list of priorities.

Criminalizing abortion was high on the agenda. Preventing unwanted pregnancies is not even there at all. This government wanted to put women and doctors in jail for having an abortion, but does not want to do anything to prevent that situation from happening in the first place.

Unintended pregnancy has been identified as the number one problem by health specialists who are dealing with people 15 to 19 years of age. Health and Welfare Canada has not been exercising its mandate to promote health in this area for Canadians, particularly young ones. My motion also seeks the agreement of the House to reinstate funding for the Planned Parenthood Federation of Canada. Funding has decreased by over $400,000 since the 1970s.

Planned Parenthood has family planning information centres that are often the first, and maybe the only contact adults and teens have with accurate information about their bodies and about what is available to them for contraception.

My motion calls on the government to establish new programs to combat sexually transmitted diseases and unwanted pregnancies, and a national clearing house on family planning. Young people under the age of 20 account for 22 per cent of reportable sexually transmitted diseases, 22 per cent. Young women aged 15 to 19 have the highest rate of gonorrhoea in this country.

Sexually transmitted diseases have serious health consequences which even include death. This is a completely unacceptable situation. Why has there been so little government action over the past decade on this issue? The government granted $264,000 to assess the feasibility of a national clearing house for sexual and reproduc-

tive health information. Out of that came the establishment of a sexuality information and resources clearing house, or SEARCH, for short.

Well, SEARCH is up and ready to go. It has a full-time staff person. It has the resources available. It has dedicated people who have been working on this project now for five years. It would provide materials to parents, educators, public health nurses, doctors, social workers, counsellors, group leaders and other service providers.

Since health and welfare backed out of this role some time ago, and two-thirds of Planned Parenthood's funding was cut, there was no comprehensive source of this information anywhere in Canada. There was no comprehensive source. The government is once again backing out in this area. It will not provide the funding to SEARCH for even one year of operation, after giving them that grant to get started.

In 1986, the Health Protection Branch at health and welfare conducted regional meetings. One of the recommendations in that report was for a national clearing house on fertility control.

In 1990, the summary report of the special adviser to the Minister of National Health and Welfare on child sexual abuse identified a federal role in encouraging healthy attitudes toward sexuality as one of the factors in preventing sexual assault and child abuse.

A 1990 report on adolescent reproductive health said that effective education is the cornerstone of primary prevention. Therefore, it is essential that such education be universally available and accessible. The Canada Health Act, Mr. Speaker, states that the federal government is responsible for ensuring that health care is universal and accessible.

• (1720)

A Gallup poll found that 46 per cent of Canadians felt they had too little access to contraception and family planning services. Obviously, there is a gap across the country in the provision of these services.

A rapidly growing multicultural and immigrant population in Canada needs access to culturally appropriate information and services. Information about sexual orientation is also needed. Individuals often do not feel that they can discuss these issues with their family, friends, teachers, co-workers or even the family doctors.

There is apparently a higher than average rate of suicides among gay teens. There is no unbiased information for them.

I have been working on the issue of warning labels for alcohol. Many pregnant women do not know how much alcohol intake can affect the foetus that they carry. They deserve the right to make informed choices about their bodies.

My motion also calls for more research into safe and effective methods of birth control. A 1990 U.S. study found that there was a paralysis of the development of new, safe and effective contraceptives, leaving millions of women without adequate birth control.

The threat of lawsuits, inadequate government funding and pressure from social and religious groups have forced all but one major U.S pharmaceutical company to abandon the field of contraceptive research.

There are new contraceptive devices available in Europe, but the Canadian government seems to be stalling on improving them in Canada. No currently available method of birth control is foolproof. There is no one method that is safe for all Canadians to use.

Up to 25 per cent of Canadian women cannot use the pill for medical reasons. The pill fails in 3 per cent of cases even when it is used properly. That may not sound like a lot, but it is more than one in fifty. Hundreds of women have become pregnant while on the pill. We must seek improved methods of birth control.

I know that the minister of health has been receiving letters from citizens demanding that health and welfare begin on RU-486, otherwise known as the abortion bill. If proved safe, it should be allowed in Canada as soon as possible. They are discovering now that it may be effective treatment for a type of infertility that women suffer as well.

Family planning issues, I know, are still controversial in our country, but most Canadians do have a desire for more information. Currently, they get their information about sexuality and reproductive issues from friends who may not themselves be well informed, or from pornography which does not foster a healthy or realistic attitude toward sexuality. There have been cases of women in

Canada who did not even know when they were pregnant. That is how much they knew about their bodies.

I want to challenge the members of this House to say that this is no longer acceptable, that we will save costs and save lives by implementing family planning, education and sexually transmitted disease education programs now.

I urge all members of this House to vote in favour of this motion.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I listened with great interest to the hon. member's speech, and I know she is very concerned, very interested and very articulate on matters that concern women, family planning and children's issues.

Mr. Speaker, I must admit I am not sufficiently familiar with the programs that exist in other Canadian provinces as they relate to the services available to people in various locations. I am familiar with the programs in Quebec, and although there are a number of shortcomings, I believe that in Quebec, with our network of LCSCs, we have some very useful programs that serve Quebec families very well.

Mr. Speaker, the federal government is fully aware of the need for effective programs for sex education and family planning, especially for young people. And speaking of young people, not long ago, a pilot project was launched, which the hon. member may not have heard about, and this project has now been started in the LCSCs and deals with prevention of sexually transmitted diseases, AIDS and, of course, teenage pregnancies. There is some rather innovative material which I have not seen yet. I only saw the adds that appeared in the various media which mentioned a brochure that, I am told, speaks in a very direct style to young people, to make them realize that their health is at stake, and that this is for them. I think we should all have a look at this material.

Mr. Speaker, the hon. member may not know that in 1977, there was a conference of provincial health ministers, and they declared unanimously, at a federal-provincial meeting, that family planning services came under provincial jurisdiction.

After this declaration in 1977, the role and impact of the Canadian Federation for Planned Parenthood and even the Serena Group started to shrink somewhat.

Mr. Speaker, I have a lot of notes here, but I would like to stick to the essentials. Responsibility does not lie exclusively with the State. I think the churches, provincial governments, volunteer groups working in our ridings and all Canadians should stop playing hide and seek and start speaking openly about these matters to the young people we meet.

Mr. Speaker, the Canadian Federation for Planned Parenthood has done remarkable work since 1955, because it set the scene for a host of provincial volunteer organizations to start dealing with the important question of family planning.

That being said, I will admit, and I agree more or less with the hon. member—it is a personal matter—after the debate we had on the Abortion Bill, it was said repeatedly by the people and groups that came to testify before the committee that there was a great need for information and family planning and prevention.

Today, we have a federal-provincial system. The hon. member for the New Democratic Party is in favour of a strong central government, if I am not mistaken. That is her view of Canada, and it is her right to have this vision of Canada. Personally, there should be a division. We must have programs administered by the provinces who are in a better position to know how to serve the target population. As you know, education is exclusively a provincial matter. Now I think that a family planning program must be pursued in cooperation with the Department of Education and the Department of Health. The federal government could use its spending power to help the provinces set up such programs, which have become absolutely necessary.

Mr. Speaker, I often wonder about it because a great deal of documentation exists and much has been done. It seems absolutely incredible to me that in 1991 we face such an alarming number of unwanted pregnancies. The hon. member mentioned the number of abortions performed in Canada. I agree with her and I also think that women must be able to choose whether or not to have an abortion, which is an extremely difficult choice, as we know.

The Planned Parenthood Federation of Canada receives a $146,000 grant. That may not seem like much, it is true, but with that statement by provincial health ministers at a federal-provincial conference, the provinces now have programs and I think they have some good ones. As I said earlier, we obviously need research on reproductive health throughout Canada. The government set up a royal commission of inquiry on reproductive methods that I hope will give us good results. The minister responsible for the status of women also made an announcement concerning a national study on violence against women and violence against children.

• (1730)

Mr. Speaker, I know that my time is nearly up. You know that as members of Parliament, we are all amazed at the tremendous work done by volunteers in our ridings. You know that volunteers do a remarkable job in community health, hospitals and local community service centres. We often cannot find words to express how much we owe to these many Canadians who give their time. Certainly national organizations like Serena and the Planned Parenthood Federation of Canada should receive more funding to help the provinces, groups and volunteers throughout the country set up good prevention programs for young people, because I think the situation has become a tragedy to which we cannot remain insensitive.

I hope that the government can play a leading role, but with the help and support of the provinces and the youth protection branches in the various social service systems. For example, the Laurentian region has the youth protection branch in St. Jerome. In short, a whole series of organizations should get together to come up with a good policy that I think should begin in early childhood, in the schools. We should stop being afraid of calling a spade a spade and tell children the facts, tell them from their first days in school that drugs and sexual abuse are intolerable and that the problems related to sexually transmitted diseases are serious. If these children are educated about it from a young age, I think that we could have results. But I must say that parents have to be convinced that it is necessary and through concerted effort we can do that.

I conclude, Mr. Speaker—you are indicating to me that my time is up—by again congratulating the hon. member for New Westminster—Burnaby who moved the motion. I encourage her and my colleagues in all parties in the House to continue trying to solve this serious problem so that in future our young people will know what it is about before they have sexual relations.

[*English*]

Ms. Mary Clancy (Halifax): Mr. Speaker, it is with somewhat mixed feelings that I rise today to give my strongest support to this motion of my hon. friend from New Westminster—Burnaby.

I support her motion in every way possible. I underscore and underline everything she said with regard to the drastic importance of reinstating the family planning division at Health and Welfare Canada, reinstating funding to Planned Parenthood of Canada and, perhaps most important, establishing new programs to combat sexually transmitted diseases and unwanted pregnancies.

I appreciate the remarks of the hon. parliamentary secretary. I think, in a non-partisan way, I know where she stands on many of these issues as well. I know there have been issues that have been very divisive in this House, that have split all our caucuses. Sometimes it has been hard for women on all sides of the House regarding certain issues, particularly those relating more specifically to questions of gender and sexuality, but I appreciate the hon. parliamentary secretary's beliefs and statements.

However, I have to take a little exception to what she says not in the pure philosophical sense, but in the practical sense. It is with regard to the question of volunteers and programming.

I would be the first to admit that in the area of social programs Quebec probably leads the nation, but it does not deny the statistics that Quebec has the highest rate of unwanted pregnancies. It does not deny the statistics that there is, and I stand here as a Catholic and say this, a connection between religion and these unhappy statistics. If we think that we can solve this very deep-rooted problem through a volunteer program we are dreaming. I think the only thing that is going to solve this problem is direct government action.

Some of that government action can come from the provincial governments and some of it can come from the federal government, but the federal government,

particularly with regard to provinces such as the hon. parliamentary secretary's and my own, will have a dual role to play because of the funding necessary for provincial governments to put in place in my province and in the province of Quebec such programs as we are talking about.

I think our problem goes even deeper than that because although we are in the 1990s, if I can say that Canada and Canadian society is still sicklied o'er, if you will, with a pale hue of Victoriana. We still refuse to come to grips as governments, provincial or federal, with questions of sexuality. There is this left over idea somewhere that if we keep on ignoring it, it will go away.

The hon. parliamentary secretary and the hon. member for New Westminster—Burnaby and I suffered, and I use that word advisedly, through the legislative committee on Bill C–43. We suffered abuse, we suffered insults, we suffered threats and we suffered, I think, as women parliamentarians trying to deal with the legislative response. If I overstep I apologize to the parliamentary secretary, but I think that not one of us felt what we did was really adequate in the long run.

I think that we have a unique opportunity through a motion such as this one to look at the root of the problem and try to solve it at the root where it belongs. There is not a woman in this House, I doubt in this country, I doubt a woman in this world, who is in favour of abortion. To each one of us, on a personal level, it is a terrible option, but for a number of women it is the only option and it is the only option because governments have not acted, because governments have not put money in place for programs to educate.

Someone once said to me in a debate some years ago that I thought education was the answer to everything. I want to say that I guess I plead guilty to that accusation because if education is not the answer then I fear there is no answer, but I refuse to believe that.

We have to look at the question of education and the tools to give young people, and I agree again with the parliamentary secretary that you have to start at a very early age. We have to ensure that there are family life programs at every age level. My own personal idea, and I have held this idea for some time, is that the federal government could contribute significantly to the educational side without getting into a jurisdictional hassle with the provinces if it looked at some sort of national advertising program.

We have seen, and it has been done by the province of Ontario, it has been done by other provincial governments as well as the federal government, advertising campaigns that can be fairly explicit and that will have an impact.

Twenty years ago, as a university student, I was a resident's assistant and many of the younger students would come to me with questions. I was absolutely appalled at the level of ignorance they held about their own bodies, about procreation, about biology. What horrifies me even more today is that while in some areas through some school programs, through some public education, we have managed to alleviate that ignorance a little bit, there is more ignorance out there in a broader and a more dangerous sense.

• (1740)

The ignorance about sexually transmitted diseases, for example, and not just AIDS which kills but also other venereal diseases such as gonorrhoea which leaves women chronically ill, chronically infertile, in chronic pain and so on, is absolutely appalling. Yet we do nothing as a national government to combat it.

I use as an example the programs that were put in place by provincial governments to deal with impaired driving. That is one example. I do not say it is the only example but it is a start.

I refer back to what I said about the Victorian mindset that still holds Canada in a death grip. I use the term "death grip" advisedly. We are not prepared to say to our young people: "Yes, we understand that your sexuality drives you, particularly strongly the younger you are, in your teens and in your early twenties". We throw them out into this kind of a world with a great number of people saying: "Just say no". Just saying no does not work. Just saying no does not answer the question. What has to answer the question are national programs and a national commitment to assist provinces on the educational level and on the funding level for family planning and education.

If we do not do that, then the lives it is going to cost will be laid at our doorstep.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, first of all I would like to compliment the hon. member for New Westminster—Burnaby on her initiative in this important motion in which she recommends programs to combat sexually transmitted diseases and unwanted pregnancies. Her motion speaks to family planning and also the need for research on safe and effective methods of birth control.

Most of us, if not all on this side of the House, agree with the urgency and the seriousness of these problems but I guess we will differ a little about how we go about solving them.

I would like to make a few remarks. Research in the area of sexual and reproductive health has been identified as a priority by this government. The government is aware that peer and applied research related to the biological and psycho-social aspects of sexual and reproductive health will improve educational programs and service delivery.

It also argues that medical research will improve the present reproductive technologies and will assist in the prevention and treatment of reproductive health problems.

This year a report on adolescent reproductive health, written by a provincial/territorial working group and published by the Department of National health and Welfare, was distributed across Canada. The report outlines recommendations for future action in the area of sexual and reproductive health. The report recognizes reproductive health as an important component of adolescent health and calls for a focus on sexual and reproductive health as a separate field of research.

The adolescent reproductive health working group indicates that the report on the national consultation on research needs and sexuality and reproductive health, a public health perspective, should be used to set priorities. This 1988 report identified and priorized research needed in the field of reproductive health. Twenty five experts from across Canada, sponsored by Health and Welfare Canada, met in Banff, Alberta to develop the report.

The report on adolescent reproductive health acknowledges the existence of inadequate standardization of collection methods and terminology for reproductive health statistics as well as a shortage and inadequate use of Canadian data on sexual and reproductive health in adolescents. The government is committed to support provinces, territories and organizations to address these research needs identified in the report on adolescent reproductive health.

A major initiative of this government in this area of reproductive health research has been the establishment of the Royal Commission on New Reproductive Technologies. The commission has undertaken a comprehensive research and evaluation program to provide data about the critical analysis of the issues surrounding the new reproductive technologies.

The commission set up a research and evaluation program that will study, among other areas, causes and prevention of infertility. The commission's mandate is broad, involving consideration of social, ethical, health, legal and economic implications of the public's interest. Public input has been considered as extremely important in the over all data collection.

Written submissions as well as many public hearings across Canada have been effective means of gathering this information.

In the spring of 1991 the royal commission released a guide to the research and evaluation program of the Royal Commission on New Reproductive Technologies. This brochure has been extremely popular among members of the research community and the general public. The commission's final report will be completed in the fall of 1992. The recommendations of this royal commission will have a substantial impact on the future directions of research on contraceptive technology and sexual and reproductive health services.

Research results in these areas will also provide Canadians with a greater understanding of safe and effective family planning, methods, and reasons for infertility.

This government's commitment to research in the area of contraception is also evident in the research funded by the National Health Research and Development Program, known as NHRDP.

Since 1986 the government has allocated funding to research through this program, specifically in the area of family planning. NHRDP funded research projects totalled $3.7 million over the last eight years.

The research studies have dealt with subjects such as the use of condoms and the pill, adolescent contraceptive practice, vaginal contraceptive devices, and clinical efficacy of the cervical cap. Much of the research focused on aspects of reproductive health other than contraception. Therefore the government made an additional commitment and issued a special call in 1990 for research into family planning, including contraception and problems associated with fertility.

To ensure adequate follow-up the government directed $500,000 a year for the next three years to this special research competition. The research was required to address particular areas of research to be eligible. One of the priorities identified the need to examine the accessibility, availability and acceptability of family planning programs and services to various populations, for example the handicapped, the economically disadvantaged, different cultural groups, and adolescents.

Another area of required research concerns the evaluation of the impact of educational programs, peer counselling models, and the media on sexual practices and contraceptive use.

Finally analysis of the reasons for use or non-use of contraceptives and prevention and effective management of problems related to sub-fertility or infertility is needed.

To this date NHRDP has received 14 proposals. These will be reviewed by a scientific committee in November 1991, just next month, to determine successful research projects.

In summary I again want to compliment the hon. member for New Westminster—Burnaby. Hopefully together, government and opposition parties, we can make a significant and real headway on these vital social issues.

Mr. Jack Whittaker (Okanagan—Similkameen—Merritt): Mr. Speaker, I am really pleased to be able to speak on this particular motion today. I think back to the very emotionally charged debate on the abortion issue. One of the things I talked about was about my having spoken to a number of women, some who had to go the route of seeking and obtaining an abortion for an unwanted pregnancy and others who made the choice to continue with pregnancy to term, having the child, and then having to deal either with single parenthood in many cases or with giving that child up for adoption.

• (1750)

At that time I emphasized that the answers did not lie with abortions but that women should have the right to choose whether they needed to terminate the pregnancy. What I emphasized over all was that there was a crying need for proper education, for proper funding, for proper facilities and for proper counselling so that particularly young women but not exclusively young women do not have to deal with the horrible choice of whether to terminate the pregnancy or not.

Certainly for the women I have spoken with over the course of my lifetime it is not and never is an easy decision. One way or the other there are psychological ramifications for whatever choice the young woman takes.

I wanted to get up and speak on this motion because I believe that everybody on all sides of the House, and I believe anybody within Canada, would see the good sense in supporting the motion of the member for New Westminster—Burnaby with respect to education on reproductive technology.

Within that motion, and I think it might be beneficial to read it once again into the record, it asks the government:

> —to consider the advisability of taking action to reduce the numbers of unwanted pregnancies in our society by reinstating a Family Planning Division at Health and Welfare Canada; reinstating funding to the Planned Parenthood Federation of Canada at its previously adequate levels; establishing new programs to combat sexually transmitted diseases and unwanted pregnancies; establishing a national clearinghouse on family planning, and increasing funding for research on safe and effective methods of birth control.

If we look at the the beginning of it we can certainly see the advisability and need for reinstituting the Family Planning Division in Health and Welfare Canada. It is not good enough to say that this is a shared responsibility. I believe that certainly in the western provinces of British Columbia and Saskatchewan we will now see some of these things being dealt with on a provincial level. However I believe the federal government has the primary responsibility for health care and I think it has admitted that to some extent by forming the Royal Commission on Reproductive Technology.

It should stand up and take that step to ensure that those 66,000 people, usually young women and in some cases older women, who are forced to terminate a pregnancy do not have to take that step in the future. With money properly put into programs for education and counselling, and proper research into reproductive technologies these young women, and in some cases older women, will not have to make that final horrible decision about which way to go.

In my life as a lawyer in British Columbia, I acted for almost 10 years on an *ad hoc* basis for the Ministry of Social Services and Housing dealing with child paternity suits. I dealt on an ongoing basis with young women, and almost always young women often under the age of 20, who had chosen to have the child but could not bear to give up the child to adoption, to somebody else. By making that decision, unfortunately in almost every case that I dealt with over that 10-year period of time, they were sentenced to a life of poverty.

We did not have the proper and adequate support systems to help these young women. What did they do? Normally they were forced by government policy to sue the father for support. Often the father, in those cases, did not have a good job. He had a low paying job. He was often uneducated and unable to properly and adequately support the child. Yet he was forced to make payments out of his meagre income and the young woman lived a life below the poverty line using the services of social services and housing.

They should not have to make that choice. Those levels of assistance should be there both federally and provincially. As I say it is not adequate to cop out and say it should be done voluntarily or it should be done by the provinces.

The buck stops here. I think it is time that we, as parliamentarians, in the government and on the opposition side began to put our money where our mouth is and say to these people: "We will ensure that we will reduce the number of unwanted pregnancies through the methods set out in this motion".

It is broader than that. I think the statistics presented by the member for New Westminster—Burnaby have pointed out there is and has been a problem of sexually transmitted diseases. All of the speakers have spoken to some extent on that.

We have to bring that level of awareness up within our school system, and I think the parliamentary secretary was correct in saying that we must start at the primary levels to educate the children and talk about sexuality, talk about the consequences of our actions as we grow up and discover our sexuality. I think the point has been very well made that if we do not deal with it now through counselling and services to begin with, the costs into the future are horrendous.

A dollar added now to a program, I believe firmly, will save thousands and thousands of dollars in the years to come on welfare payments, on difficulties with the children in poverty. We now have identified over one million children in poverty. Establishing those programs will also ensure that the problem of sexually transmitted diseases is blocked at the start so that we do not have to pay to assist these people in very expensive hospital care in the the future.

Finally, the government must realize that money put into research is money invested in the future. I implore everybody in the House to support this motion and pass it when it comes up for voting.

[*Translation*]

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I am pleased to participate briefly in this debate on the motion from the hon. member for New Westminster—Burnaby.

I thought I was going to be allowed ten minutes, but I realize that I have barely two minutes, so it will be very difficult for me to say everything I expected to say on the subject.

Like my colleague for Argenteuil—Papineau, I would first congratulate the hon. member for Westminster—Burnaby on having made this issue the subject of a debate in the House. It is a very important subject and we all know how active the hon. member is on social issues, the statut of women, and so on. So I congratulate her.

Mr. Speaker, I will be very brief in saying that the government has taken many initiatives; I cannot list them all, but there are a lot. There is for instance the creation of the Sexually Transmitted Diseases Division, at the National Laboratory for Sexually Transmitted Disease Control, as well as other initiatives. Mr. Speaker, I see you are telling me that my time is up. I was

extremely pleased to have an opportunity to elaborate on such an important issue.

• (1800)

[*English*]

The Acting Speaker (Mr. DeBlois): 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 list of the order of precedence on the Order Paper.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CHILD CARE

Ms. Dawn Black (New Westminster—Burnaby): Mr. Speaker, the previous motion will come back for two more hours of debate. Some of the members on the other side may be interested in knowing that.

I asked a question some time ago about whether Canada would honour its own commitment to the United Nations Convention on the Rights of the Child, which clearly requires the government to ensure the development of institutions, services and facilities for the care of children whose parents are working outside the home.

Sadly the response I received was inadequate. The Minister of National Health and Welfare simply stated that his government came up with a proposal in 1988 and that the Senate turned it down. In fact, the senators never had an opportunity to turn it down. The Prime Minister called an election a few hours before the bill was to be voted on in the Senate, in one of the most manipulative manoeuvres I have ever seen. But the bill itself was not even a good one. At the time, it looked even worse than simply continuing under the Canada Assistance Plan, which is how child care in this country is currently funded.

That was before this government capped the Canada Assistance Plan for the provinces of Ontario, Alberta and British Columbia.

There is a child care crisis in this country. Almost three million Canadian children require child care. There are only 300,000 regulated child care spaces in the entire country. The minister tried to sidetrack the question by claiming to be spending $136 million on child poverty and on violence.

But it is a funny thing, every time I ask a question in this House, that same $136 million keeps popping up. It is supposed to be for women, and then it is supposed to be for seniors, and then it is supposed to be for aboriginals and then it is supposed to be for child care. In fact, it is not $136 million, it is $49 million that will be spent before the next election that is supposed to solve just about every social problem we have in this country. A lot of that money is going to research.

We do not need more research. We know what the problem is. We need action. What is more, not a single red cent of that money is going to eliminate child poverty.

We hear over and over again from the other side of the House that you cannot just throw money at a problem. The people who say that have enough to eat. They have jobs. They are not the people who line up at food banks, who cannot get job training. They are not the battered women with children who are turned away from shelters because of a lack of space.

In fact the Tory reduction of funds to the Canada Assistance Plan amounts to more than $155 million over the next two years. It funds programs to help poor people to get back on their feet. It helps families of poor children. Some 37 per cent of all welfare recipients are children. The lack of affordable child care is a barrier for people looking for jobs. Fifty per cent of Canada's poor live in the three affected provinces. The poor in these provinces are just as poor as those in other provinces in Canada. The children who need child care in those provinces are in just as much need as the children in other provinces. This government is playing political games with people's lives.

The second part of the question I asked dealt with how Canada was going to keep the commitment that it made to the UN on a child's right to health care and education

services. How can it do this when it has cut back already on these services?

The minister's response was that we had to consider Canada's ability to pay. That is just fine. Why did this government not consider Canada's capacity to pay before it made that commitment to the UN? Why did the government make a commitment it had no intention of keeping?

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I am particularly proud to speak this evening to reply to two points raised in this adjournment motion by the hon. member. First, as regards the United Nation Convention on the Rights of the Child, the Prime Minister clearly said this week that he thought that the provinces which must ratify the convention before the federal government should do so by year's end. The Prime Minister also told the House that, in his opinion, there was no doubt that the convention would be ratified within the timeframe to which we are committed.

As for me, I sent the complete text to all the churches and elementary schools in my riding to remind my constituents that a convention had been signed, because it is extremely important that all the people in our ridings know about this. As you know, Mr. Speaker, each and every one of us must do something about the issue of daycare.

Do you know what I did? In 1988, I held a meeting for business people from the St. Janvier region, in Mirabel. I convinced them that daycare also concerned them. And do you know what happened? Through the national Child Care Initiative Fund, we were able to finance a small study that cost $25,000, and the province of Quebec, through *l'Agence de garde en milieu familial,* provided 60 daycare spaces. Moreover, with the help of three large companies, Bombardier (Canadair Division—Military Aircraft), Bell Helicopter and Air Transat, and the City of Mirabel, we opened a daycare facility for 60 children last week, thanks to the initiative of your humble servant in this House. It is a unique concept in the work place in Canada. I invite hon. members to do the same, because I think this is an example that could be followed across the country. Because we were able to get daycare spaces for 120 children, Mr. Speaker, I am convinced that.

The Acting Speaker (Mr. DeBlois): Two minutes to reply is very little time. I must now recognize the hon. member for Edmonton East.

[*English*]

CARBON DIOXIDE EMISSIONS

Mr. Ross Harvey (Edmonton East): Mr. Speaker, when is a cap not a cap? When it is ethereal, a gaseous vapour, a hovering mist dissipating and reforming in mysterious and unpredictable fashion. The government claims to be firmly committed to capping Canada's emissions of carbon dioxide and other greenhouse gases at 1990 levels, by the year 2000. Unfortunately, upon close examination this commitment which seems not just firm but rock solid, vaporises into some ghostly, shifting ethereal mist.

There are three ways in which this commitment is less substantial than most people think. First, there is good evidence that the government's commitment applies to net emissions, not to gross emissions. Page 102 of the green plan indicates that the government is considering action to limit net emissions of greenhouse gases. The reference to net emissions is repeated in Canada's intervention to an international climate change convention on September 18, 1991 in Nairobi, Kenya.

The apparent insistence on net emissions could be very important. It is a rather straightforward task to compile an inventory, as Environment Canada currently does, of gross emissions of carbon dioxide and other greenhouse gases. It is much more complicated to estimate both sources and sinks for these gases. Canadian estimates could very well be tied up in scientific controversy even as we approach the year 2000 and the cap from a practical standpoint will have been useless.

Even if Canada decides to make monitoring easier and caps gross carbon dioxide emissions, that commitment remains vague because within the government there seems to be no agreement on how much CO_2 was emitted in 1990. In the national action strategy on global warming the Canadian Council of Ministers of the Environment estimated 1990 emissions at 467 megatons. A document dated July 18, 1990, issued by the energy and fiscal analysis division of Energy, Mines and Resources, offers an estimate of 508 megatons. The National Energy Board's June 1991 estimate for 1990 CO_2 emissions is 517 megatons. These three government

estimates for Canadian 1990 carbon dioxide emissions differ by 11 per cent. This is hardly precise for a cap. However there is a third problem. According to a senior government official, 1990 might not mean 1990 after all.

• (1810)

On October 3, 1991, I asked the deputy minister of the environment: "Is it reasonable to assume that the 1990 emissions level will not absolutely and without variance be the basis used for comparison by the year 2000? Is it possible that it might change as a consequence of international negotiations and of methodologies within the country?"

The deputy minister, Dr. Good, replied: "It is quite possible". So the government's own estimates for carbon dioxide are significantly divergent. Small wonder then that few people seem to take the government's commitment seriously.

My question is clear and simple. When the government says it wants to cap CO_2 and other greenhouse gas emissions at their 1990 levels by the year 2000, what in heaven's name does it mean?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, the government remains to committed to stabilizing the emissions of CO_2 and other greenhouse gases at 1990 levels by the year 2000.

Our efforts to address the issue of global warming are taking place at both the national and international levels. Internationally, Canada has participated in intergovernmental negotiations and framework conventions on climate change. It is important that Canada act in concert with the international community on what is after all a global issue.

On the national front, the federal government's commitment to address climate change is clearly spelled out in Canada's green plan. We are pursuing a comprehensive, flexible approach to limiting net emissions of greenhouse gases, addressing both sources and "sinks", while at the same time acknowledging regional differences.

Carbon dioxide is one of the main greenhouse gases, and most man-made CO_2 comes comes from our consumption of fossil fuels. Consequently my department is developing a series of initiatives to promote energy efficiency as a cost effective way to reducing energy consumption and CO_2 emissions. Measures will be announced in due course to regulate minimum efficiency levels in energy using equipment, to label products regarding their energy use, promote more energy efficient building codes and to initiate a further round of fuel efficiency targets for new vehicles. These are but a few initiatives at the federal level.

The accelerated development and market penetration of alternative motive fuels, as well as research and development of alternative energy is also being pursued. In addition, we shall be initiating information and education campaigns for the public on the wise use of energy. These, along with other measures yet to be announced, are an indication that this government is committed to taking action to meet our stabilization goal.

Provincial and territorial governments, as well as municipalities have important roles to play. Many provinces have undertaken measures to limit CO_2 and other greenhouse gas emissions. Others are planning to do so. My government is pursuing discussions with the provinces and territories on this matter in order to better co-ordinate actions and share information and data.

WORLD SUMMIT FOR CHILDREN

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am very pleased to stand here and to again ask for answers to the question I asked of both the Secretary of State for Canada and the Secretary of State for External Affairs. Specifically I was trying to learn from the Government of Canada what steps it would take in honouring and moving to honour the Convention on the Rights of the Child.

I listened very carefully to the parliamentary secretary who responded a moment ago. Although Canada has certainly indicated its interest, and has signed the agreement at the United Nations on the Rights of the Child, it still has not ratified it. Many countries around the world have ratified it.

My question was simply to ask why this was not happening.

In addition to that, I have also written to the Minister for External Relations and International Development. I had asked these questions in the House, and I had written, and still, I am not any closer to getting an answer. What I really need to know is what steps the government still has to take before honouring this

agreement. I want to know about the process for ratifying this agreement and these are the answers that I need.

The facts on the convention are that just over a year ago representatives of a 159 nations around the world gathered at the United Nations to begin the process of ending child poverty world-wide. It is interesting to hear the member for Burnaby in her private member's motion talking about child poverty and then her adjournment proceedings with regard to the rights of the child.

There is incredible child poverty, not only in this country but around the world. The summit's main goal was to encourage governments to sign and ratify this agreement. The convention is committed to recognizing the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development.

As I review *Hansard* over the last few months I note that every time the government is asked about the convention's ratification it becomes defensive or, in my case, each time that I have posed questions it refuses to answer.

There is reason to believe that Canada will have trouble ratifying the convention because several areas of minimum standards for children, including health, health care and education, fall under provincial jurisdiction.

The federal government has put a cap on the Canada Assistance Plan which pays for many of the programs needed by impoverished people, the majority of whom are children.

This week the Child Welfare League of Canada, the Canadian Welfare Association, and the Canadian Council of Children and Youth held a national symposium in Ottawa to review the state of Canada's children and youth as it relates to the UN convention. At the closing of the symposium they stated that the Canadian government's disastrous social and economic policies have turned child poverty into a national scandal.

One of the conference organizers, Patrick Johnston, said it best when he said: "We are getting tired of hearing reasons why kids cannot be made a priority. We deal with the Constitution. We deal with interest rates, but we never talk about Canada's children. "One in six children lives in poverty. Poor children experience a 50 per cent higher death rate from all causes. Poor children are more than twice as likely to suffer long-term disability and other health problems. The average life expectancy for aboriginal children, for example, is eight years lower than the national average. The high school drop-out rate is more than 90 per cent in some parts of the country for poor children."

Surely if other countries around the world can ratify this agreement then Canada can. We know it probably will be costly. But, for goodness sake, let us get on with it. I and others in this House are very tired of asking why, when, and how, and we have yet to receive an adequate response.

We are all on the side of children I would hope in this House of Commons. I am not attacking the government. I just want an answer, Mr. Speaker, thank you very much for giving me the opportunity to ask my question again.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, we all know that the Convention on the Rights of the Child at the United Nations was an historic event and the culmination of almost 10 years of discussions that began shortly after the International Year of the Child in 1979.

The member knows very well that many of the convention articles apply directly to provincial and territorial governments and the services they provide.

Aware of this reality and within the human rights tradition of the Government of Canada, steps were taken in 1982 to establish a federal-provincial-territorial committee of human rights officials to provide full Canadian input into the drafting of the conventions and, more recent, to review federal and provincial law to ensure Canadian compliance with the convention. This process has been thorough, consultative and successful.

I am informed, as I said earlier, that the final stages of the review are almost completed. Governments have been asked to signify formally their support for the ratification by the Government of Canada of the Convention on the Rights of the Child.

Much has been made recently of the observation that Canada has not yet ratified the convention, the implication being that the Government of Canada might be delaying or purposely avoiding ratification. This is not the case. It was never the case. In fact the reverse is true.

• (1820)

Canada's commitment to the ratification of the convention has never wavered, nor has our policy to work closely and in collaboration with provincial and territorial governments with a substantial stake in the convention.

I know the member would like the Government of Canada to overrule provincial obligation and responsibilities, but we do not.

EMPLOYMENT

Hon. Alan Redway (Don Valley East): Mr. Speaker, for over 30 years EFL Furs International was a thriving and a growing manufacturing business.

Its founder, my friend Simos Papadopoulos, came to Canada from Greece with virtually nothing. Through his hard work and the hard work of his family, his late wife, his two sons, Harry and Peter, built a thriving and a very prosperous business which employed close to 100 people. It developed a very significant export trade for Canada in the United States and in Asia. It paid very substantial taxes and provided the basis which allowed the Papadopoulos family to participate in a great many volunteer organizations and charitable organizations in the wider community which did all of us an enormous amount of good.

Now EFL is gone. It has gone bankrupt and the Papadopoulos family has been wiped out. It did not miss an interest payment on its bank loan, but the bank called its loan anyway. Simos voluntarily mortgaged his own home and put all that money into the business. The bank took the money and Simos lost his own home.

Harry sold his home. He put his money into the business on a voluntary basis. The bank took his money and now Harry and his family have been left without a house.

They asked the government for help, for a temporary loan, not for a grant, and the government let them down. They prepared a business plan to show how they could pay off all of their debts. "No", said the bank, "we would rather lose millions of dollars than give you a little more time".

Perhaps EFL and the many families which relied on it for their living, for their jobs that provided them with their living, could have been saved if we had only had in place a U.S.–style chapter 11 bankruptcy law.

The formal Liberal government promised a law of that sort some six times over a period of 25 years and our own government promised that sort of a law in the 1989 Speech from the Throne. Finally this past June a bill of this sort was introduced in the House, Bill C–22. It is now before the House for its second reading.

If we are going to prevent any more tragedies, like the tragedy that happened to EFL, if we are going to prevent any more tragedies like the tragedy that has happened to the Papadopoulos family and so many other like families, we have to get on with passing this legislation and passing it as quickly as possible.

Tonight I want to call on the minister to ensure that this bill gets passed just as quickly as possible and gets put into place at least by January 1, 1992 so that we will never again have a tragedy like the one that happened to EFL and the Papadopoulos family.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, on June 13 of this year, to overwhelming stakeholder interest and applause, the Minister of Consumer and Corporate Affairs introduced Bill C–22, the reforms to the Bankruptcy Act.

This new legislation is the result of extensive consultation with provincial and territorial governments, labour, business, consumers, legal and insolvency experts. This government knows that saving business means saving jobs.

Accordingly, the focus of this bill is on rehabilitation, not on liquidation. By making reorganization provisions more flexible and more accessible, the reform package provides a greater latitude for debtors to get back on their feet. The new act will strengthen the Canadian business to make it more competitive. The new act also is an important initiative for other segments of the Canadian economy. It will provide greater protection for the most vulnerable participants in the economy, the wage earners, consumers and unpaid suppliers.

Wage earners will be guaranteed a minimal level of protection for the recovery of moneys owed to them in bankruptcies. The program will be accessible, user–friendly, and designed to put cash in their pockets. The Bankruptcy and Insolvency Act will give consumers an opportunity to negotiate arrangements with creditors in

order to avoid bankruptcy and start all over again. That is what my colleague is talking about with his friends in the fur industry.

The reforms offer broader protection for unsecured creditors. Unpaid suppliers will be given the right within 30 days to reclaim goods from a firm that is subsequently declared bankrupt.

The new bill offers flexible, modern rules that recognize natural market forces. It is an important element in the framework that will allow this government to foster a competitive, productive and national economy.

We feel that in giving viable enterprises the chance to reorganize we can avoid many bankruptcies and save thousands of jobs and avoid losing the expertise essential to encourage Canadian competitiveness.

LINGUISTIC MINORITIES

Mr. Ronald J. Duhamel (St. Boniface): Others may recall that on June 17 I stood in this House and asked a question of the Secretary of State with regard to the kinds of protections that might be given official minority language groups. There were rumours at the time that the government might be thinking of changing that.

I am here this evening to quote the response and to raise a few questions. For example, part of the response says, and I quote: "his government was standing for the rights of linguistic minorities outside and inside Quebec". When people heard that they said: "Where was the government when Bill 178, the sign law, was passed?" Some questions were raised. What was it able to do? Where was the government? Was anything said about this poor elderly gentleman? He was around 65 years old I believe and was the bus driver who was dismissed even though he had driven the bus for 18 years. Apparently he was not able to speak the language sufficiently for the students. He was dismissed in spite of the fact that the parents supported him, the parents wanted him. Where was the government, for example, when the French language rights in Saskatchewan and Alberta, just a few years ago, were diminished significantly?

When the government says it is standing for the rights of linguistic minorities outside and inside Quebec, people are just a little nervous. They ask: "Where is the government with respect to the Supreme Court decision that says that French language groups outside of Quebec should have governance over their educational systems?"

There is a second part of the answer that I want to address, and it is referring to the government:"It is a commitment that we maintain and it is a commitment that we will respect in years to come", that is with respect to the protection of minority language groups.

Some of you will know that in current constitutional proposals there is a reference to the preservation and promotion of the distinct society. I have no particular difficulty with that. I understand the desire of people to want to do that. Those same words were there in the Meech Lake Accord with respect to the minority language groups. Now we know with respect to minority language groups, the French language group, that the only word that is there is "preservation". Why has "promotion" been dropped? Was it an accident?

[*Translation*]

Nothing is more sensitive or touchy than this language issue, and one really has to be careful. As you know, there was an incident last week. Some young aboriginal hockey players wanted to go to Quebec, but were apparently not allowed or accepted in French-speaking homes. I tried to talk to both sides in order to find out who was right. I still have not found the answer, but I can tell you that this issue generated a lot of calls.

It is a sensitive issue and one must tread very carefully. That is why I asked the question; I said that the national government must protect its minorities. We must know where it stands on this issue. We need leadership. If it is not done for these minority groups, others will also be afraid.

I am trying to be very, very reasonable and I request an answer.

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, I went to a meeting with the *Fédération des parents francophones* in Winnipeg, in the hon. member's riding I believe, in St. Boniface.

He knows perfectly well that Francophone parents and Franco-Manitobans are very grateful to the Prime Minister of Canada, the Right Hon. Brian Mulroney, for saying that he supported and stood behind Franco-Manitobans in their struggle, in 1984, after the Supreme Court's decision on the province's statutes. The hon. member knows perfectly well that the Conservative

government and the Prime Minister enjoy great respect in Manitoba, in his riding.

Mr. Speaker, the reform of the Official Languages Act is the best indication of this government's commitment and vision with respect to the interests and concerns of official language groups.

Our commitment goes further, Mr. Speaker. As partners sharing the same values, the federal government, the provinces and the territories have concluded new bilateral agreements on minority language education and second language education. We have also signed co–operative agreements with nine provinces and territories, to promote an increase in minority language services. We have also increased support for organizations and institutions in official language communities.

The hon. member alluded to a minor problem that occurred in connection with children who wanted to play hockey in Quebec. Mr. Speaker, I think the hon. member either had a poor interpretation or perhaps misunderstood, because that is what often happens. People tend to misread the facts. I know the hon. member did not pass judgment. I know him well, and I know that he would be the last person to pass judgment on this matter, being the perfectly bilingual member for Manitoba. However, it is all a matter of understanding and occasionally of being more open to our minorities, and so we have these minor problems.

That is all I wanted to say. Thank you Mr. Speaker.

The Acting Speaker (Mr. DeBlois): 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 6.32 p.m.

HOUSE OF COMMONS

Friday, November 1, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed from Wednesday, October 30, consideration of the motion of Mr. Blais that Bill C–22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations; and the amendment of Mr. Rodriguez (p. 4192).

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I have been here a little better than a year now and I think I finally have an occasion when I can say something nice about this government.

This is sort of a kinder, gentler Bankruptcy Act and in many respects the process that was used to arrive at this act is worth noting. I notice that a number of members have done so on the way through and I want to do it again.

I think there are two or three things that need to be said about the way in which this particular piece of legislation has been brought to the floor of the Chamber. It has been discussed by a House of Commons committee in a very broad sense, what is wrong with the old Bankruptcy Act and things of that nature. This is one of the few occasions when one can point directly to a process that is somewhat different, somewhat unique and a lot more sensible than the normal legislative flow.

A bill was introduced and sent to committee. The committee then had the opportunity, before everybody was locked into position, before everyone had decided exactly what they wanted in the bill, to have some options open up. Some groups were provided with an opportunity to comment in a public way before the legislation was put together in final form. This is somewhat unusual. Normally that is a private process carried on by most governments behind closed doors. There is a kind of negotiating process that goes on before a bill is tabled.

This time there was much more thought, consideration and opportunity. It was not perfect, but it was much better than what we had seen on many other occasions. I commend the government for making that change in the way that legislation, particularly this kind of legislation, is put together. I think that is helpful, because I believe that makes the legislative process a much more open and legitimate process. I think all of us know, if we go home to our ridings at all, that people are very angry that someone has designed a bill, a law and after it has been put to paper, so to speak, it rarely can be changed. At that point, a government is committed totally to almost every single word in the bill, especially in a majority. Even good ideas that are recognized by all sides somehow cannot be fitted into the bill. It is just not possible to do that.

I believe that what was used as a parliamentary process here is one which the government should pay a lot of attention to. It ought to think more of ways in which laws can be brought before the Chamber, and then aired. By airing I mean not just hearing complaints about it, but hearing suggestions or ideas, about hearing concepts, about hearing how the bill will have an impact on various groups that will come under that legislation.

I think that the first order of business here this morning is to congratulate the government for its role, and all the opposition parties for their role, in trying to work out something that is a little different from the norm. I believe it will be a more positive one.

The second thing that I think is important to note about this bill is that it is one of those areas of law that is not quite politically attractive. I suppose that is the polite

way to say it. It is one of those things where, in talking about bankruptcy, there are not many political points to be gained. It does not have a broad appeal among the population.

It does have a tendency to be the kind of law that gets drafted, set in cement, and never changed. The previous law, for example, went for some decades before changes were made to it.

I want to note too that there is a provision to review this bill on a regular basis. I believe it is every three years.

The government should also take note that none of us is a perfect human being. With all the work being done by the staff that are around, all the people who draft legislation, all those who advise governments and opposition parties, all the consumer groups and manufacturing association groups, we sometimes forget things. We sometimes do not put provisions in the laws that are flexible enough to reflect that our society is changing. What looked like a good law in the 1920s, 1930s, and 1940s does not even seem relevant to many people today.

This is one of those areas of law that falls into that category. There is a need for legislation, such as this one which deals with bankruptcies, to be reviewed on as regular basis. I do not just mean it should be looked at in the sense that a parliamentary committee can go and criticize an existing law. I mean in a way that allows a parliamentary committee to do something a little more positive than that. It should take the law, hear how it is working in our Canadian society, and adjust it regularly.

That should be the norm. It should not be the norm that someone drafts a law, passes it, and it stays there for 30 or 40 or 50 years. It should be the norm that every single law on our books gets a regular review from a parliamentary committee. In areas of our society such as this, where pressures change regularly on businesses and on people who work for businesses, I believe there is a need to have the laws of the land adjusted regularly.

I think there are some good basic concepts that have been brought forward in this particular piece of legislation.

There is another provision in here that a number of business people have talked to me about that strikes me as just being good plain common sense. That is a cooling off period. There is a period of time when a business under the previous law would have gone bankrupt today. Under this proposal there is a short period of time, 30 days, a window of opportunity to go out and see if there is a way they could reorganize, to check out some other forms of financing, to see if there are some things that they could do which would keep that business alive. That is important.

Some would argue that legislation such as this deals almost exclusively with the business community. I do not believe it does. It certainly has its prime initiative in that realm, but it is people who work for those businesses. Those are jobs. Those are people who have their livelihoods thrown away at the same time.

Much criticism has been levelled against companies that go bankrupt. Sometimes it is a rather creative process that a company that has not enough assets to keep it going today somehow manages to emerge from a bankruptcy with lots of assets and lots of cash in its hands. Most of the people who work for that company wind up with nothing and a small group of people wind up rather well off.

I believe that legislative review and the kind of provisions that are in this act will tend to mitigate against that concept, that kind of perception that these laws are just written straight for the business community. There are some important principles that have been incorporated into this act that I think give it a little better balance. Part of the credit for that goes to the hon. member for Nickel Belt, who is of course our mentor for the private sector. He advises the corporate sector in Canada on what they are doing right and what they are doing wrong, and from time to time he gives them little awards, and he is a friendly, knowledgeable chap. The work that he did in this committee, and the work of all the members in there, I think has been quite helpful. He has certainly given me more information than I ever wanted to know about the corporate sector. But that is his job and I think that is a good description of the job of most ordinary members in this Chamber.

Most ordinary members are not burdened with the responsibility, thank God, of sitting in cabinet and coming forward with a new policy or a new law which they then have to defend, even if they think that it is not exactly what they personally would want to do. But ordinary members on all sides are not carrying that big rock on their heads. They have an opportunity to go in and speak their minds, and I think this law reflects that.

This legislative proposal shows initiatives here from all sides of the House, from a number of different members and from a number of different organizations. I think that is one of the things, frankly, that is wrong with politics in Canada, that we simply have not been able to find a way to do that very often.

This bill, although it is not a perfect piece of legislation, reflects that, and it is better legislation because of it.

I want to move to a couple of areas where I think there is a little room for improvement. Perhaps it reflects on some of the things that I have been saying already. There is an attempt made in here to put together a wage protection package. All of us who have sat in our constituency offices and listened to individuals who worked for a company that looked pretty healthy last month, but is now out of business this month, have just kind of shaken our heads. Somehow, the laws of the land exclude those who made a contribution to that company. They are kind of shut out. The proposal in this act for a wage protection plan may not be perfect, but at least in principle it is a recognition that somebody else has some sweat equity in that business, that somebody other than the owner made a contribution, that somebody has a right to get something out of the bankrupt company just as other creditors do. In other words, the employees have an investment. It might not be an investment in stocks in the company, and it might not be a title on the board of directors of the company, but they have been there every day when the business opened up in the morning and they generated the income for that.

There is a reflection, perhaps for the first time in this kind of legislation in Canada, that they also have a claim on what happens here.

I think our arguments, when the bill goes to committee, are going to be a little hot and heavy about the exact nature of that claim. I want to give credit where credit is due. This is the first occasion that I can think of in bankruptcy legislation where Canadian workers have at least been acknowledged. We want to argue a bit more about how that is done. We specifically want to argue exactly how practical it is to levy yet another tax on a small business. Without getting fervent about all of this, there cannot be anybody left in here who has not had some small business person in the riding come and talk to him rather loud and rather long about all the changes that have occurred in their financial world in the last little while.

A lot of business people can handle a great many things with ease. Change is not one of them. Many of them are very small businesses where the financial and accounting side of the business is often not something that is going to make General Motors quiver in its collective Gucci boots. This is often one person with a ledger, trying to figure out when the taxes are due, and how much they are, and what they are for. Even though the dollar amount may not be much more than it was under some other tax scheme, the fact that you have got to change them all around causes aggravation. That means less productivity in the work place.

Even we New Democrats have to ask ourselves this question once in a while: Does this method of raising money seem appropriate for the moment? I have to agree with those who say that to do this kind of wage equity program by means of some kind of levy is going to cause some hardship. Perhaps we ought to look at some other ways of accomplishing the same goal. We are in agreement, on all sides now, that people who work in these companies deserve some wage protection.

• (1020)

We are in agreement that some wage protection package has to be put together. Let us explore the ways in which we might do that. We are arguing, particularly on the amendment that has been put forward already, that it is not appropriate to do that at this point in our history by adding yet another tax to the process. That may upset the apple cart.

This is going to be a tough argument. I do not deny for a moment that we are going to encounter some very strange allies in this process and that they are going to agree with the position put forward by the member for Nickel Belt for some very unusual reasons. At least we are acknowledging that there is a problem out there and that businesses and individuals are encountering that problem.

Take a parallel situation like a goods and services tax where the government has tried the traditional techniques of negotiating a different way of collecting tax. It is estimating it on a different basis, providing rebates to certain people who might have a more negative impact than somebody else. It has spent a lot of money on advertising to tell people how wonderful and painless and absolutely necessary this really is, even to the point

of saying that it was only going to use this money to pay down the national debt. Even though all those traditional devices have been tried, people in Canada are still saying: "But it is still wrong". That is my concern about some additional taxation process around a wage protection package.

The good idea, the wage protection package, may suffer immensely because of the technique that is being used to fund it. I urge all members to go back, when this bill goes to committee, and revisit in your own minds that wage protection package which has been agreed upon. Let us look for any alternatives for funding that wage protection package. I hope that is what happens.

I noted that there is a section of the bill which deals with the matter of people who have supplied goods, in this case to a company that has gone bankrupt. It concerns their right to go in and retrieve their goods during a 30 day period. I know the argument I am going to get on this. I know there are going to be people who say: "Well, I did not find out about it until the 29th day, and I could not get a truck there on the 30th day, so it was the 31st day when I was able to retrieve my goods, so I did not get them". Maybe there is a little room for flexibility there.

I want to introduce one other area which might be useful that I did not see in the legislation. There are a number of individuals, consumers, who have bought and paid for a car, a truck, a boat, a piece of furniture, a television set in a company that has gone bankrupt. I am aware that in each of the provinces there have been attempts made to provide them with some mechanisms to retrieve those goods. Perhaps it would be useful to just simply apply the same rule to individual consumers as you have clearly applied to the suppliers in this instance. That is that when a bankruptcy occurs, they have a right to be notified and a right to retrieve something that is theirs, in essence, but which has not yet been delivered. For some people this is going to be a lot of money.

I recall in the province of Ontario about a year or two ago we discovered that people had purchased boats in marinas which were encountering difficulty and sometimes going bankrupt. These boats can be pretty expensive pieces of merchandise and it was questioned as to whether owners had a right to retrieve their boat from the property of a marina that had gone bankrupt.

The same thing is true of a car dealership that goes bankrupt. You have just bought your brand new Chevy Lumina, made in Oshawa and built entirely in Canada. You are happy as can be. But you will not be very happy if you bought it, paid for it and your Lumina is sitting in a bankrupt dealer's showroom. I think you have to give fairness on both sides.

I agree that the provisions are in here for suppliers to recover things that are rightfully and legally theirs. That should be there, but so should some mechanism whereby a consumer who has done exactly the same thing has a legal right to retrieve whatever it is that they have bought from a company that has gone bankrupt.

All of this is kind of arcane legislation. None of us in this Chamber want to become experts on bankruptcy laws. But all of us, in an economy like the one we are in at the moment, becomes just a little more critical day by day because this is for real. For example, one of the provisions that is in here that everybody agrees with, the wage protection plan, is not meant to be retroactive. There is going to be an argument about that, I hope. There ought to be an argument because a certain cut-off date is put in the legislation, and people after that point have a legal right to make a claim against the wage protection package. Before that date, they are just plain out of luck. That would be denying that we are in the middle of a recessionary period where there have been substantial problems with companies going bankrupt. A lot of Canadian citizens have had their lives ruined because of a bankruptcy.

I believe we have to at least take a look at precisely how we are going to handle that. I do not want to be the one who sits in the constituency office and says to someone who is jammed in exactly that situation: "Well, if your company had gone bankrupt next week, instead of last week, we would have had these things to offer you".

I understand that when a law is passed there has to be a starting date in the law. I understand all the problems about making it retroactive as well. I have no illusions

about that, but I believe it should be recognized and it should be dealt with.

One final thing I think is useful in the considerations that have gone on about all of this. This is kind of strange territory for me, so I would ask you to bear with me.

I have listened to a number of business people who have explained to me the wonderful world of finance, and how the smiling, friendly face who was so anxious to give their company a lot of money last year has now been replaced by some other face who is not smiling quite so much. This face does not want to give them money, they want all the money back. They are angry about that particular set of circumstances, without question. They are also angry over who did this.

Very often in a lending institution it is not the manager of the institution who is sitting down with an old friend making these decisions. It very often is somebody who is in that branch for six months or perhaps a year for some training, and they are arguing vehemently that the rules are the rules and you cannot bend the rules. These individuals who have borrowed money are in a rather unusual position. They thought they were doing what the lending institution considered to be good business. All of a sudden, it is not good business anymore. More than that, they will be forced into bankruptcy.

I do not know whether we want to take a look at some kind of system of providing an impartial referee, or whether we should do something a little more positive than that. There are certain things I do know, having been around at different levels for a while. All governments, at almost every level now, have set up some organization to try to deal with this, to promote industrial development in their area.

The Acting Speaker (Mr. DeBlois): Order, please. Your time has expired.

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I listened to most of what my hon. colleague opposite had to say this morning with respect to this legislation and the amendment that was put forward by his colleague.

Let me first say that my hon. friend opposite did make a point about the methodology now being used and hopefully will be used some more in dealing with legislation that is going to be coming before this House from time to time. That was the one in which he and others referred to the pre-study which began when I was chairman, while most members of Parliament were still on their summer leave. In the early part of September, while others might still have been getting their last fishing trip in, or a vacation with their families, we were doing the nation's business.

Not all members of Parliament are away during the summer. Some are working. Well, we are going to work on that too. I understand that this particular pre-study was somewhat unique and I was grateful to have the co-operation of all parties of this House. It seemed that there were a lot of good intentions to try to resolve what all consider to be a need for changes to the Bankruptcy Act and the bankruptcy laws. They were last really reviewed many years ago.

• (1030)

It is too bad there is not the same spirit of co-operation that went into that pre-study on the other side of the world where they are trying to negotiate peace. As we all know that is important in world matters. Here we have actually accomplished and set some precedents for further pre-studies of legislation that will then be introduced to the House.

The report which the committee released, which I am certain most who are following this legislation read quite closely, reviewed the legislation that was originally proposed and drafted in a very detailed manner over some 20-odd pages. The committee brought in experts to give testimony for the different parties which feel the legislation would benefit them or cause some difficulty for their businesses or employees. We heard opinions about that area from individuals, organizations, bankers, real estate people and those affected. Of some 21 recommendations that we put forward about 16 have been adopted and included in the legislation.

Compared to other reports of the past in this House I think that is almost a record setting endeavour. I hope the message is that backbench members of Parliament and those who have an interest but do not sit in the cabinet can directly influence through their interventions the policies that we put forward in the form of a bill.

As the chairman of the committee it made me feel that that exercise is one that we should continue because it does have a very positive and beneficial effect.

I do not want it to be construed that in this particular area we are trying to beat up on the institutions that loan money, basically the banks and trust companies. That certainly is not the case. It is fairly safe to say that the banks are the most protected institutions in this country. Possibly they would argue that is best for Canada, best for a country like ours, that it not be wide open. We do not have bank failures on a regular basis. The kinds of laws and protections that are there keep the system stable.

However, in defence of business entrepreneurs who have to go to the banks for their finances I will ask: Why should the fact that they did receive large advances and loans from the banks jeopardize someone else who is doing business with that company? That to me is one of the very key parts of this legislation.

Everyone talks about wage protection. I know that has been the topic on people's minds in drafting this bill. The ability to revindicate your goods should a bankruptcy occur has an immense beneficial effect on so many suppliers who may be forced by a bankruptcy to go into bankruptcy or insolvency. That to me warrants a lot of protection.

It was one issue that the committee reviewed and believed was a very integral part of this legislation. A farmer in my area a couple of years ago delivered his cattle to a dealer for slaughter. That particular slaughterhouse went into receivership or bankruptcy the next day. The receiver locked the gate. The farmer could see his animals on the other side of the fence. He put a whole year, or two years or three years, into producing those animals. That was his income for the entire year. He could see his livestock but he had no legal right to them because he turned them over to a company that subsequently went bankrupt.

Under this legislation if they are identifiable and across the fence, the owner can go in and take back anything delivered to that bankrupt person that is identifiable in the previous 30 days.

That is the kind of protection that this legislation gives those suppliers and I think it is most welcome.

A second very important point in the legislation is that the Government of Canada, the Crown, does not put itself in a priority position. It stands in line with the unsecured creditors in almost all cases except for the deductions of tax and unemployment owed.

That is a major shift and a welcomed shift. Those suppliers or unsecured creditors now may have a little bit of an opportunity to recover some of their moneys put into a company. Before, the Crown, the big Government of Canada, was sitting there first to make sure it was looked after. It was felt that this possible loss of revenue would not be significant to the government.

The committee looked at some other very important considerations that altered the legislation. It is very interesting for a group of legislators like ourselves to hear firsthand how the bill can be improved, as opposed to those who originally drafted it, mainly departmental bureaucrats. We should hold our heads up high because we are probably as capable of drafting legislation as those so-called experts. I see my colleague across the way nodding his head. I want to also thank him for putting a lot of hard work into this pre-study.

The main contentious point of the legislation was in terms of wage earner protection and how they should be paid. That is certainly where we heard testimony concerning introducing a tax at this time, albeit one I always thought was never a significant amount. We are talking about 10 cents a week per person by the employer. It is hardly calculable and I felt that we certainly should not be alarmed. However the very word "tax" in the economic climate of Canada today did find disfavour with a lot of people. My colleague from Mississauga made his point very strongly that adding any kind of a tax at this time would not auger well for a lot of businesses.

I think I could agree that the climate is such today. There is a fairly heavy reliance on taxes because of our deficit in Canada, because of demands on federal moneys. Taxes on businesses today makes it very difficult because tax has to be calculated in the price and Canadians want to be competitive in marketing their goods. There are all the different levels of tax, not just the federal government tax by the way. There are municipal taxes, property taxes, provincial taxes, and surcharges levied on businesses and business locations. We now have stricter laws on the environment adding more expenses to businesses trying to operate. One wonders sometimes why people want to venture into business because of the very fact that the big hands of the government have a hand in your pocket.

• (1040)

It may well be that the Minister of Finance may have to revamp the entire tax structure of this country to make it more equitable to do business than it presently is with tax on top of tax. I see some nodding across the way.

The tax structure obviously evolved over the course of years as the demand on money increased. A Utopian system would have meant that all governments in Canada, even provincial, would not have spent money without knowing they had the money in the bank to do so.

We have all gone into deficit spending. Almost all provinces and certainly the federal government have been in that position since the 1970s. It is very difficult to reverse the trend, as hard as we try. Upon any suggestion by any other party that it would reduce the trend of deficit spending faster than we have, I suggest that their popularity would go down just as fast. Those are the realities we as politicians face. You can talk a good line but when you deliver it the public then sees that somebody has to do with less and consequently you fall into disfavour.

I want to get back to the wage protection plan which is a major part of this legislation. I know the different forces that are at play here. In trying to be a balanced chairman I heard both sides of the issue and knew there was strong evidence that the wage earner should be put in a super priority.

At first glance this has some benefit. However, on the other hand, in the case that there is still not enough money in the system once a company goes bankrupt, we had to add other measures to cover the funds. It was suggested that the Superintendent of Bankruptcy would be in a position to find the funds in order to pay those that would not. We discussed in depth walkaways, those businesses that do not go bankrupt but just sort of dissolve. Three or five employees are promised the previous months' pay and then do not get last month's pay and finally the place closes down. Then they are out two months pay. What is the provision here while we are collecting moneys from all employers across this nation?

We were lobbied really hard by those who do volunteer work or are maybe paid for it in a small way. They would be contributing to this fund. They basically are in the business of doing work for humanity, you might say, or for the charitable organizations. They said: "Why are you taxing us? Why are you penalizing us when we are basically doing this for the benefit of all Canadians? Is it not unfair? We just cannot come up with that kind of money, the 10 cents a week".

Another argument that I heard my colleague on the committee from Sudbury make was that today it is 10 cents, but what if the money is not enough and the demands are higher. Next week or five years from now it could go up to $4. I hope that we never get into that kind of a position. However, that is a concern that could be alarming in the context of politics at a convention or during the next federal election. He would say: "Yes, they put it in and they will be the first people to put it up after the next election". All those things. We might do that to the taxes too. That argument can be used on anything.

The idea was to find as best we could a consensus as to how to make the bankruptcy legislation modern, make it ready for the 1990s and the problems that business faces while still being fair and equitable to those unpaid workers. That was one of the major areas. We could sit and debate either way.

I would not want to hold up this legislation because we could not come to a unanimous conclusion in this House on how that bill should be paid. I would like to try this idea out on the members of this House today. If we found some kind of a compromise—I see the minister standing in the House—I wonder if they would consider postponing the tax and maybe consider using Consolidated Revenue to pay off these unpaid employees in the case of bankruptcy.

We have heard business people say that the climate for additional taxes is certainly not going to be very good for us. I wonder, as a brainstorming measure, if we, all parties of this House, should not consider as an option foregoing the collection of additional taxes at this time. Then when the country is back into a far more prosperous boom cycle we might be able to introduce a small levy to recover some of these funds.

I would like to close by stating that I hope the government would refer ideas of future legislation, as it pursues the area of consumer and corporate affairs which I am involved with, to pre-study. That pre-study has been very effective. Fifteen out of twenty-one

recommendations were basically accepted by the government. I congratulate all members of this House who participated in it.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I was interested to hear what the chairman of my committee had to say about this bill. We worked on it together, and I appreciated the fact that our chairman went to great lengths to hear all points of view and to be strictly non-partisan. That being said, I think it is very important for us to have this bankruptcy legislation.

I have the following comment on the hon. member's speech. Contractors and their associations said before the committee that they didn't want another tax. That is true. The chairman just confirmed this. They said they did not want another tax, not even a 5-cent or 10-cent tax. People are fed up with taxes.

I may say that as New Democrats, we supported this view. And after two or three months, everybody was saying: "We cannot afford another tax, so what can we do?" Then, all of a sudden, a group from Quebec appeared before the committee, the *Association des contracteurs du Québec*. I imagine the chairman will remember. I asked these people what Quebec was doing about the bankruptcy problem, because we were talking about compensation for people who were in dire straits. They told me there were two aspects to consider. In Quebec, according to law, all contractors must have an assistance fund paid for through taxes, but construction workers had top priority, in any case. I then asked them whether it caused them any financial difficulty and whether they or members of their families had gone bankrupt as a result of this priority. They told me there had been no problem and that the system was something people in the rest of Canada could live with.

• (1050)

I was delighted to hear this, and I am also delighted to hear that our committee chairman endorses the same views.

Mr. Speaker, if you will allow me, I have one last question. If you agree that we have to set up a $60 million fund, where is the money going to come from? I believe the government mentioned there was no more money in the Treasury. Where are those $60 million going to come from, because 5 cents or 10 cents per worker will amount to almost $60 million? Who is going to pay?

[*English*]

Mr. Holtmann: Mr. Speaker, I am standing here somewhat in amazement. My colleague from the New Democratic Party is talking a very different line than some of his other colleagues. He asks if we are going to spend some money, where is the money going to come from? I want to thank him for that point of view because we don't hear it very often from New Democrats.

The member is absolutely right. That is the biggest concern we have. Automatically going to the government's coffers while in a deficit situation, without looking at ways of recovery, is not the way we want to operate. That is for certain. Those days are gone. We may have to go there to initiate this fund but certainly we will want to look at a way of recovering it as well. Somebody has to pay. That is for certain. If you are going to pay out to wage earners, if you are going to give them something that they have been denied then somebody has to pay. Collecting it through the UI fund was the suggestion.

He mentioned the Quebec construction people who built in a little protective system for themselves. I suspect that this is just that on a grandiose scale. However the answer still is that once the government gives out its money it must find the source of funds. The source obviously has to be in the form of a tax. That is the only way the government gets its money. I would only suggest that he stay on that wavelength.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I want first of all to congratulate the hon. member who chaired the committee. I said at the beginning of my speech but I will repeat that it was a very useful process for members of Parliament to be allowed to pre-study a piece of legislation prior to the approval of the principle of the bill at second reading.

I have to commend the Chair for allowing us the latitude that he did. He certainly has set the tone for the deliberations we had. It has perhaps been the most productive committee exercise I have been involved with since I was elected to this place back in 1988. I would urge all ministers, all members, and all committee members to look at the process that we went through

because it was very seldom marred by partisanship, it allowed every member who chose to participate to participate. The result is that the government and the minister responsible will probably have a better bill.

The member indicated in his remarks that perhaps, just perhaps, committees might not be a bad place to write legislation. I certainly hope that his comments will be prophetic and at some point in the reform of how we do our business here committees will receive draft legislation from the government and the bureaucrats and it will be left up to members of Parliament, working with those same bureaucrats, to recommend pieces of legislation. That is one way that we can involve all members no matter what their political stripe or party affiliation. It is one way that we can involve them in a very positive way in the legislative process.

I think the chairman has gone a long way in setting the tone and for that I wish to thank him.

I have a comment to make and I would like the member to comment on it. We heard a lot during deliberations about revindication. One of the things we heard from the banks about revindication was that if we did that there would be a massive credit crunch. With the able assistance of the Chair some witnesses appeared and they told us that was simply not the case in the province of Quebec where under their civil code there is a revindication process.

I would like to ask the member to comment about the pressure that was on us initially concerning banks and revindication and then how that dissipated as soon as we had the witnesses and we refocused on super priority.

Second, I would like to hear his comments dealing with farmers and fishermen because he has a great interest in both of those areas. Perhaps he could speak about what we might be able to do subsequent to this bill, if it does pass, to ensure that farmers and fishermen are protected with regard to revindication.

Mr. Holtmann: Mr. Speaker, I take note of the comments made by my hon. colleague from the other side with respect to drafting legislation. I think I am going to reconvene the committee this afternoon to draft some legislation to bring bank interest rates down.

Some hon. members: Hear, hear.

Mr. Holtmann: I think some of my colleagues from his side would assist me in doing so.

Let me comment briefly on the revindication part of this bill. Once again this revindication of the supply of products to businesses that have found themselves in trouble is a very important and integral part of the bill. It does apply to farmers and fishermen as well, though possibly not as comprehensively as it could. Maybe we should look at it and talk about a farmer who delivers grain to an elevator company or to a feed lot that went bankrupt. How do you tell which is his? It is not really identifiable. How does he recover it? I think that is what the member was referring to. Could we even go further?

I know the minister, being associate minister of agriculture, also has a keen interest in this area. Fishermen and farmers find themselves in the most vulnerable positions because their products quickly change form, are unidentifiable and in many cases are not possible to revindicate.

This is what the member was referring to. Very possibly our committee could brainstorm to determine how to strengthen that portion of the bill for the agriculture and fishing industries of Canada. There are many farmers and fishermen who are vulnerable.

I thank my hon. colleague for the idea and look forward to further work with the other members of the committee.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I want to begin by recognizing the efforts of the committee under the able chairmanship of the member for Portage—Interlake and in hopefully a new spirit—we talked about decorum earlier this week—also recognize the efforts of the members of the New Democratic Party, the members for Chambly and Nickel Belt.

I particularly want to congratulate the members of our party, the Liberal Party, the member for Dartmouth and the member for Glengarry—Prescott—Russell, who so ably represented us in this pre-study of Bill C-22.

The report issued by the committee on Bill C-22 contains several recommendations which I believe improve the bill. I hope that when the bill returns to the House at report stage we will see the recommendations of the committee incorporated into the legislation.

During its pre-study of Bill C-22 the committee examined a number of the major concerns that my colleagues and other members of this House have with this bill. To its credit the committee also sought the views of a wide variety of interested organizations, including representatives from the financial, business, and labour sectors.

I was also pleased to see that the Canadian Federation of Agriculture appeared before the committee. A major concern which I hoped would be addressed in Bill C-22 relates to the important issue of having protection placed in the Bankruptcy Act for farmers. The present act offers very little protection for agriculture producers who, for example, have little chance to recover or receive financial compensation for lost produce when a purchaser of that produce goes bankrupt. I will address this matter in greater detail later on.

The Acting Speaker (Mr. DeBlois): Order, please. On resumption of debate the hon. member will have, 17 minutes maximum to speak.

[*Translation*]

It being 11 a.m, pursuant to Standing Order 30(5), the House will now proceed to Statements pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

MIGRAINE AWARENESS MONTH

Mr. Stan Wilbee (Delta): Mr. Speaker, November has been designated Migraine Awareness Month. Millions of Canadians are affected either directly or indirectly by the problems associated with victims of migraine headache. In fact, 3.2 million Canadians suffer from migraines. It costs $500 million in lost work productivity as well as millions more in medical costs. The incapacitating pain and nausea that renders the victim helpless from a few hours to several days can cause major disruptions in the family and in professional duties. The cause or causes are still being sought as is a universally effective therapy. For many relief with expensive medications are minimal at best.

The Migraine Foundation of Canada is to be commended for assisting the many victims. We lend full support to its efforts in finding an effective cure for this excruciating and often debilitating illness.

* * *

INNISKILLIN WINES

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, the biennial global wine competition which was held in Bordeaux, France, in June attracted 4,100 wine entries from 38 wine producing nations.

Inniskillin Wines of Niagara-on-the-Lake walked off with one of the nine gold medals awarded, the Grand Prix D'Honneur, for its 1989 vidal ice wine and thus instantly elevated the wines of Ontario into international fame and acclaim.

Information gleaned from the media indicates strongly that there were no Canadian wines served at the luncheon held at Rideau Hall for the Royal visit of Prince Charles and Princess Diana. If Canadian wines were overlooked, even the winner of a gold medal, I express my great disappointment at the lack of sensitivity shown by our government toward our Canadian wine industry and its workers.

I might add that at another wine competition, Intervin, which attracted 1,800 wine entries, Ontario wineries garnered 53 medals.

The Acting Speaker (Mr. DeBlois): I apologize, you have had one minute.

* * *

[*Translation*]

EATING DISORDERS AWARENESS WEEK

Mrs. Suzanne Duplessis (Louis-Hébert): Mr. Speaker, this is eating disorders awareness week in Canada.

This year, the week is intended for adult women whose desire to be slim is often a concern. Everyone should be aware of the dangers to health that result from eating disorders.

If we wish to prevent or reduce the problems related to eating disorders and make Canadians more aware of them, we must convince them to adopt a philosophy of life that excludes dieting and to accept their bodies as

they are. Self-acceptance is a fundamental objective of the National Eating Disorder Information Centre.

The Minister of National Health and Welfare supports the centre's efforts to this end and joins all members of this House in wishing the organizers of this public education campaign success.

* * *

[*English*]

LOW-LEVEL FLIGHTS

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I rise to congratulate the government on its decision to scrap low-level flights that were planned for northern B.C. In fact, the minister, in a letter to me, stated very clearly:

> The international events of the past two years and the recent initiatives announced by the United States have considerably reduced East-West tensions with the resultant re-evaluation of our own and allied military requirements. Consequently, it is not envisioned that IR 910—
>
> The flight path:
>
> —will be utilized in the foreseeable future.

I want to point out however that the government still does not get the whole message on a coherent defence policy. Its plans to allow U.S. submarines to use the Dixon Entrance has been pointed out by the member for Skeena and at the very least that project deserves a full environmental assessment.

Let us hope that the reduced tensions around the world will not only help northern B.C. but also the rest of the world, and especially now, the Middle East.

* * *

CANADIAN UNITY

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, as someone who has studied and taught Canadian history for most of my adult life, I have a love for and an admiration of Canada that will never diminish.

I am well aware, however, that this country has never been nor will it ever be easy to govern, due in part to our geographical immensity and to our resulting diversities.

In fact, one could easily conclude that we have survived to date in spite of our geography rather than because of it.

I was delighted to learn, therefore, that the 11,000 members of the IODE have been circulating a petition in support of a united Canada, a petition in which they affirm: "That Canada's diversity is a national blessing and a tradition to be cherished and preserved".

Most of us who sit in this Chamber are parents and some are grandparents. As such we can, I hope, concur with IODE's request that we never forget the needs and interests of future generations.

In the words of the petition itself, as no one could say it better, I quote: "For our children and their children, Canada must remain whole".

* * *

BANKRUPTCIES

Mr. Jim Jordan (Leeds—Grenville): Mr. Speaker, according to the Department of Consumer and Corporate Affairs, the rate of individual and company bankruptcies continues to grow at an alarming rate all across Canada. The total number of bankruptcies continues to grow at an alarming rate all across Canada.

The total number of bankruptcies for the first nine months of this year reached over 56,000, a dramatic 50 per cent increase over the first nine months of 1990.

The fact that the cost of borrowing money has improved while bankruptcies continue should suggest to the government that for far too long there has been some fundamental and deep underlying problems preventing individuals and companies from doing business in Canada.

When is the government going to show some interest and announce measures to alleviate the plight of thousands of Canadians who are threatened with bankruptcy because they are still unable to do business in this country?

* * *

SOCIETY PROTECTION WEEK

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, this Monday begins Society Protection Week and the government will be dealing with legislation to improve the safety of Canadians.

There have been 72 murders in metro this year already. All of last year the total was 55. Of the 72 murders, 33 involved firearms while guns were used in only nine murders last year.

Many of the residents of Markham—Whitchurch—Stouffville are demanding that the government overhaul the justice system.

Next week the gun control legislation, the Extradition Act, parole reform legislation and a revised Young Offenders Act will be important steps toward a more equitable justice system, a system that protects Canadians and allows them to feel safer.

I have addressed these issues on many occasions in this House. The government is making important inroads by introducing laws that more appropriately recognize the pain and suffering of innocent victims and the need to provide tougher laws to protect all members of society.

* * *

THE CONSTITUTION

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, yesterday the Canadian Ethnocultural Council appeared before the Special Joint Committee on the Constitution.

As expected, this umbrella group of 74 ethnocultural and racial minority organizations, reflecting one third of the Canadian population, emphasized their great concern about the minority equality guarantees in the Charter of Rights and the compromising impact on them of the notwithstanding clause.

The press, through which Canadians are supposed to be informed about the constitutional process, typically ignored the CEC brief completely or portrayed it primarily as a defence of the distinct society clause.

Apparently in what the majority press defines as the real national agenda, the real concerns of the CEC hardly count.

By many this would be seen as a typical example of the marginalization by the media of real minority voices. In fact, it should raise the more fundamental question: If the media do not fairly report the national constitutional debate, can there really be one?

THE PRIME MINISTER

Mr. Garth Turner (Halton—Peel): Mr. Speaker, last weekend the Prime Minister faced what was surely the toughest decision of his life. He had to choose between being the Secretary-General of the United Nations and Prime Minister of Canada.

On the one hand, the world's leaders wanted to recognize his skills. On the other he faced a hostile media and personal attacks on him and his family. Those of us in public life in a much more minor way know the pressures of politics on the family.

• (1110)

We can only surmise too well the intolerable weight which hung on Mila Mulroney and their children. On the world stage the Prime Minister was being asked to serve the billions of people who live on this planet. In Canada he was being criticized *en bloc* by media and opposition politicians for even letting his name stand.

I do not know how many of us in this House could have made the decision that man did. He decided to do his duty for Canada, when this nation had given him every reason to take a walk. If this is not selfless commitment to country, I do not know what is.

* * *

ENERGY EFFICIENCY

Mr. Rex Crawford (Kent): Mr. Speaker, call in the Mounties. I think I have been robbed. Either Christmas has come early or the government is still playing Halloween tricks.

Bill C-41, the National Energy Efficiency Act, is nearly the same as a private member's bill that I presented last winter called the Energy Conservation Standards Act. I am pleased that the minister of energy has taken the advice of the Liberal Party that strong, consistent national energy standards are needed, that special labelling is required to show consumers the most efficient products.

I am hopeful that there will be some teeth to the government's new-found commitment to an environmentally friendly future. We need only to look at the 92 per cent cut to alternative energy research programs and the laying off of one-third of the energy department's staff who is working to stem the impact of global warming.

Is Bill C-41 a death-bed repentance for the Tories? Is this bill too good to be true? When we notice that since 1984 the research branch's budget has been slashed from $500 million to $40 million.

I must say that I congratulate the government for taking this initiative on energy efficiency, and for following the skilful and capable lead of the Liberal Party of Canada.

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CHRYSLER CANADA LIMITED

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, two days ago, the Minister for International Trade announced the winners of the awards for business excellence. The categories of those winners were entrepreneurship, environment, industrial design, innovation, invention, marketing quality and small business.

I want to draw the attention of this House to one of the highest categories, the category of quality. The winner of that prestigious award was Chrysler Canada Limited of Windsor's mini-van assembly plant, which introduced a long-term quality policy in September 1985.

That program ended up with the dividend of having this tremendous award given to it, in recognition of not just quality product but of management and of the people who work in that plant. I think we should all congratulate a Canadian company for doing so.

* * *

ENVIRONMENTAL PROTECTION

Mr. Jim Fulton (Skeena): Mr. Speaker, the days of special loopholes, secret deals and lax enforcement of pulp mill effluent had better be over. The Environment Canada report entitled *Effluents from Pulp Mills Using Chlorine* was released this week and concludes that the government will classify the total effluent from chlorine using pulp mills as toxic under the Environmental Protection Act.

The report concludes that 75 per cent of the mills have effluent that kills fish, effluent that is still toxic 1,400 kilometres from some mill outfalls.

The 47 chlorine pulp mills dumped more than a million tonnes of chlorinated organic compounds into our lakes, rivers and near shore environments in 1989. This is Canada's largest single industry and biggest water polluter.

The present law, the 1971 Fisheries Act, requires all pulp mills built since then to have non-toxic effluent. The November 1991 pulp mill regulations must cover all mills and be legally binding and be enforced. Some of the fat profits of the pulp sector will have to be used for cleanup, to compensate for damages done, and to implement zero toxic discharge technology.

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[*Translation*]

CANADIAN KARATE CHAMPIONSHIPS

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, I would like to point out today the outstanding performance of five karate experts from my region who, at the most recent Canadian championships held in British Columbia, won six medals, including three golds.

With his two gold medals, one silver and title of male athlete of the championship, Marc Hamon of Terrebonne is Canadian karate champion and he has done our region proud. Once again he has proven the vitality and excellence of our sporting organizations.

I would not want to forget another excellent performance, the one turned in by Michel Landry of Mascouche, who won two medals and was outdone only by Marc Hamon.

I congratulate them and their coaches and wish them the greatest success in the next international competitions. Their success is the result of discipline and hard work. Three cheers to them all and keep up the good work. We are all behind you.

* * *

[*English*]

EDUCATION

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I wish to add my support to the thousands of Canadian post-secondary students who are outraged at this government's introduction of a 3 per cent guarantee fee on Canada student loans.

It is grossly hypocritical for this government to claim that it is fighting for accessible post-secondary education, while at the same time imposing an additional cost of 3 per cent on Canadian students who are already

suffering from a recession and the imposition of the GST on books and learning supplies.

Many students must rely on Canada student loans in order to have the chance to attend post-secondary institutions. After all, these are loans for the needy, not grants for the greedy.

This policy is anti-education. This government must work to encourage, not discourage education. The removal of this inane fee will move us in the right direction.

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[*Translation*]

CANADA CAREER WEEK

Mr. Allan Koury (Hochelaga—Maisonneuve): Mr. Speaker, let me tell the House about an initiative that especially interests me, Canada Career Week, which this year will be held from November 3 to 9. For seven days, more than 1,000 communities in all regions of Quebec and Canada will work with the federal Department of Employment and Immigration and organize a host of original activities, in the hope that all students will make choosing a career a top priority.

I am proud of the ever-growing support which the government receives from young people, of course, and also from teachers, parents and the business community. Last year, for example, over 2,000 employers and thousands of participants took our suggestion and helped make Career Week an outright success.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance.

Earlier this week when the minister said the economy was starting to boom, he was patting himself on the back. Yesterday when the numbers proved him wrong, he decided to blame Canadian business people who have been critical of the government's interest rate policies. He said: "It is now time for the business community to take up the challenge because it cannot hide behind that forever".

That is not a fair remark. Does the minister really think that business does not want a recovery? Did the business community bring in the high dollar? Did the business community bring in 33 tax increases? Did the business community deliberately cause the recession? Or, did the government do all of those things?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the government's economic strategy has been to create the conditions for a durable reduction in interest rates and for sustained non-inflationary growth. That is precisely what is happening.

Interest rates are coming down, not going up. They have come down by over 6 percentage points since the high of May 1990. The spreads have narrowed from about 5.75 basis points to 2.5. basis points. With respect to the prime rate, there is about a three-quarters of 1 per cent spread between the U.S. and Canadian prime rate. Inflation has declined dramatically. The annualized rate of inflation on a three-month basis is something in the order of between 2 per cent and 3 per cent.

Interest rates are coming down. Inflation is coming down. The composite leading index that takes into consideration all the components of the economy is going up. September figures indicated that the unemployment figures were going down, not going up. Employment is going up. Housing starts are up. Automobile sales are up. Residential construction is up.

There are signs that the economy is indeed improving.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, today, November 1, the Canadian dollar is worth 89 cents U.S. Everyone in Canada understands that this high dollar is stifling our economic recovery, everyone except the government. Is the minister prepared today to admit that his monetary policies are strangling the Canadian economy and would he be prepared to adopt a more reasonable monetary policy to save hundreds of thousands of jobs for Canadians who are now paying for those policies?

• (1120)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think what the strength of the dollar does indicate is the inherent strength of the Canadian economy. In spite of the hon. member wanting to downgrade the prospects for the future of the Canadian economy, I think the other point of view should be expressed as it is by organizations like the IMF which suggests that Canada's rate of growth will be 3.8 per cent next year. The OECD suggested that Canada's rate of growth will be 3.5 per cent. Why? Because we have the fundamentals right.

If the hon. member has any suggestions about the value of the dollar, maybe she might like to enlighten the House as to what she considers to be an appropriate value of the dollar, how she would get it there and how she would keep it there. Perhaps she might want to take Canadians into their confidence because quite frankly she is proposing simplistic solutions that are totally unworkable.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, why does he not listen to the Canadian Steel Producers Association which told the government several months ago that this dollar policy was killing the Canadian steel industry? Why is he pursuing the government policies that are costing Canadians thousands and thousands of jobs?

Will the minister understand that every cent the dollar goes up is literally costing thousands of Canadian jobs. Will he today follow the recommendations of his colleague, the member for Burlington South, who endorsed the position taken by the Canadian Steel Producers Association that we should have a lower dollar? Will he do that?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows that the government does not set the value of the dollar. The rate of exchange of the dollar is established in the marketplace.

If the hon. member is suggesting that Canada should go to a fixed exchange rate, if that is the policy of the Liberal Party, why does she not come clean and tell Canadians that is their policy? She cannot have it both ways.

JOB TRAINING

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, my question is for the Minister of Employment and Immigration.

This morning we learned of yet another shell game practice by this government. Reports indicate that the only funds this government could find for training is the $400 million it has squeezed out of unemployed Canadians: no new moneys, no new commitment from this government, money taken away from unemployed Canadians.

We know that the employers have paid their share. We know that the employees have paid their share. We know that the unemployed Canadians have already paid their share. When is this government going to pay its share?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the fallacy of the Liberal thinking persists. Where is that money coming from? He is forgetting about the Canadian Jobs Strategy. There is a program for 1991 of $1.9 billion. It is not much money I guess to a Liberal to go in the pockets of taxpayers and pick up $1.9 billion.

The Liberals should come clean with Canadians and tell us if we should increase the deficit or borrow more. They should make their stand clear. He is not. He is trying to make people believe that $3.1 billion is no money for workers who are in need of training.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, the question here is whether or not we are committed to the unemployed Canadians and to training.

Despite the rhetoric the government has continuously increased UI premiums and has cut $200 million from the Canadian Jobs Strategy in the last two years. It has completely divorced itself from its responsibilities to the unemployed. Canadians are tired of this sleight of hand, of this disappearing act in the areas of training and unemployment.

Halloween was last night. When will the government stop tricking Canadians and treat Canadians with dignity and respect?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the tricking stopped in 1984 when they were spending zero dollars on training.

Some hon. members: Oh, oh.

Mr. Valcourt: Mr. Speaker, I want to correct myself. Maybe it was little bit more than zero but not much more. Maybe you could compare the numbers.

Anyway I invite the members to stay tuned. At twelve o'clock I will be tabling in this House the UI developmental use for the people in this country and they will have good news.

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THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance.

On October 10 the government announced a farm aid package of $800 million. At that time the Minister of Finance warned that he would be continuing this government's policy of robbing from the poor to pay the desperate.

Today there are reports from his department that the minister is considering taxing Canadians who have been encouraged by the trade deal and the GST to make purchases in the United States. This government is considering putting a tax on those consumers.

The government has two choices: Further tax the consumers who are overburdened or close some of the corporate loopholes. I want to ask the Minister of Finance: Will he commit to take the other way and close some of those corporate loopholes like the $1 billion free lunch program for businesses so we can pay for needed programs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the hon. member would realize that it would be inappropriate for me to comment on any speculative stories about tax proposals. I did indicate at the time the $800 million farm aid package was announced that it would have to be funded from within existing resources or tax measures or a combination of both, because I clearly indicated that increasing the deficit was not an option.

That is what I am looking at right now. Of course I will be pleased to entertain any suggestions by the hon. member or any other hon. members. But her suggestion may not find favour with representatives of the restaurant association so she may want to check with them before she advances that proposal.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the question here is who pays and what is the fair method of doing this.

I want to remind government members that it is their policies. If they look at Statistics Canada they will see that since the GST has come in, purchases in the United States have gone up 215 per cent. There is a direct link between this government's policies and what is happening in terms of cross-border purchasing.

I want to ask the minister again: Will he look at fair tax reform, close those loopholes for the powerful and wealthy, make sure that the people who should be paying are paying, and stop overburdening the middle income consumer who cannot pay any more taxes?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, of course I am interested in fairness in the taxation system and fairness in spreading the burden among all Canadians.

The hon. member was blaming cross-border shopping on the GST and cited figures going back to 1988. The GST came into effect in 1991, not 1988. I think she will agree with me that my predecessor closed a number of loopholes with respect to corporate taxation. If she has some further suggestions of course I would be glad to look at them.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, three days ago, this government established the prosperity secretariat. I say to the minister that it is not necessary to spend $20 million to ask Canadians: Who should start paying the nation's bills?

Can the minister assure the workers of this country that they will not face any new taxes as long as the wealthy enjoy tax breaks?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I appreciate the hon. member's sensitivity about new taxes. I think that all Canadians share that view. I would hope that they would consider that when they continually ask the federal government to spend more money, because if you are going to spend more money on programs there are only two sources from which you can get it. You either impose

a tax or you borrow against the future by increasing the deficit.

• (1130)

We hear suggestions across the way every day about spending more money. When this government came into office the Liberal Party in office at that time was spending $1.33 for every dollar's worth of revenue that it was taking in or its program expenditures were increasing at the rate of 14.8 per cent per year.

An hon. member: What has that got to do with it?

Mr. Mazankowski: What has that got to do with it? If we would have continued along that line, the deficit today would have been $130 billion more and we would have had an $800 billion national debt if we had followed the spendy-trendy ways of the Liberal Party.

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is for the Minister of Finance who should also remind the House that the public debt has more than doubled since his government came into office.

Some hon. members: Shame.

Mr. Gray (Windsor West): Mr. Speaker, the Minister of Finance admitted yesterday that he might have been overenthusiastic when he said that the economy is starting to boom, but he has also been saying that the recession is over. Yesterday, a senior official of Statistics Canada, Phillip Cross, speaking of the current situation said: "We haven't said the recession is over yet".

I ask the minister: Will he admit today that he was also overenthusiastic when he said that the recession is over?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): No, Mr. Speaker.

Hon. Herb Gray (Windsor West): Mr. Speaker, the minister has not explained why he has given this answer in the face of the words of the expert from Statistics Canada.

This week, speaking of the current recession, the Economic Council of Canada said: "There may be some evidence that unemployment is cumulative. Many young workers who get trapped in a cycle of insecure jobs and (UI) dependency are unable to break away from it when they become adults".

I ask the Minister of Finance: What does he have to say to the young people who are trapped in a permanent cycle of unemployment due to this government's policies? Will the recession ever be over for them?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): The hon. member knows all about youth unemployment. I think when the Liberals were in office the youth unemployment rate was between 18 and 19 per cent. It has dropped dramatically.

If he wants to quote the Economic Council of Canada, maybe I can use a quotation that he would find very interesting, because it certainly goes against every suggestion, interpretation and grain that he is suggesting. The Economic Council of Canada said that growth will pick up significantly in 1992 and beyond. The real GDP is expected to grow at 4.2 per cent in 1992 and 5.1 per cent in 1993. That compares with Department of Finance's projections of 3.2 and 4.1 respectively.

They are suggesting that growth will be very stimulative in 1992 and 1993, contrary to what the hon. member suggests.

* * *

THE CONSTITUTION

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my question is for the minister responsible for Canada's Constitution, indeed Canada's future.

The inherent right to self-government is the cornerstone of what aboriginal Canadians want to see in the constitutional proposals. Will the minister clarify for members of this House what he presented to the Assembly of First Nations hearings yesterday, when he reportedly indicated the government's flexibility on the important issue of inherency of self-government to be entrenched in the Constitution?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I was pleased to be able follow the hon. member who appeared before the Commission of First Nations yesterday on behalf of her party and the Leader of the New Democratic Party.

I indicated that the government had very serious reservations about the idea of inherency standing alone, but that we were encouraged by the discussion that was

developing that would define inherency in the context of Canadian laws or in the context of Confederation.

I think this is a very helpful development and one that I encourage the commission and would through this House encourage members of our special joint committee to consider. The government has made a proposal that relates to a justiciable right, but we have made it clear that the proposals we put forward are capable of improvement. If there are means by which the proposal we have put forward can be improved in the manner I suggest, we would look at them very carefully.

There are, I think, two criteria that we want to respect. One is to have a proposal that will be acceptable to the aboriginal people and governments in the country. The second is to have something we can have accepted under the formula of 7/50 as a proposal in the Constitution.

Ms. Ethel Blondin (Western Arctic): Mr. Speaker, my supplementary is for the same minister.

As the minister knows for aboriginal Canadians, there have been several false starts on the constitutional rounds. It is not fair at this point to keep First Nations guessing nor is fair to keep Canadians guessing on how the government plans to deal with their concerns.

Will the minister clarify whether the government is flexible on the issue of inherency being entrenched in the Constitution without a deadline?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): I am not sure that I understand all of the implications of the question. I think everyone in the House knows the importance of precision.

I have just spoken about the kind of discussion I hope will begin with regard to inherency in a context. Obviously, if there is a definition of a right of self-government, we would want to have that agreed and entrenched.

We have proposed in our document that 10 years after the entrenchment that could be interpreted independently by the courts. We have also proposed, however, that once an agreement was negotiated among governments and a particular band or aboriginal organization, that particular agreement could be immediately entrenched and would then have constitutional force.

Obviously the question of 10 years is also a matter that the special joint committee will want to consider to see if that should be lengthened, kept or shortened.

* * *

HEALTH

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, my question is for whoever is answering for the minister of health.

The Canadian Medical Association report has found the Meme breast implant is unlikely to cause cancer, but notes at least nine potential problems that Meme implantees can face and also notes a lack of study and information on these problems.

The CMA among its recommendations verified what we have been trying to tell the minister all along, a need for biochemistry and toxicology studies and an implant registry to aid research.

Will the minister commission the research and the registry right away?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I must repeat that the first responsibility of the Department of National Health and Welfare is to protect Canadians' health, and that is why we are working closely with all concerned regarding breast implants. The Meme is no longer available on the market. Studies and opinions are divided, even among users of this implant, and I especially call on women to be vigilant and informed before taking any action. We at National Health and Welfare are following all studies very closely in order to protect the health of Canadian women.

[*English*]

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, perhaps the minister responding will be able to better answer my next question.

The Minister of National Health and Welfare now has his department's internal review of Health and Welfare's handling of the Meme breast implant issue. Will the minister table that report today so that we can all see it? Does that report contain a call for an external audit?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, I must repeat that my colleague, the minister responsible for Health and Welfare, has always been interested in this very important issue, as we have been saying for months. A study was ordered and I can, on our behalf, ask the minister, as soon as he receives the study, to table it wherever appropriate.

* * *

[*English*]

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the minister of Employment.

He will be aware that when his colleague, the minister of Fisheries, announced the fish aid package, it was indicated that it was designed to help those who needed it most. He will probably know that the ground rules on the issue have been changed in the past week or so and a whole category of people, indeed all the fishermen on the west and southwest coast of Newfoundland, have been told they are not eligible to receive any assistance or funding under the program pending the outcome of the winter fishery.

• (1140)

He also knows that these people cannot wait until next April without any source of income. Will he call off this perverse toying with people's lives and undertake now to ensure that they will become eligible once again for funding under the program?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, a program has been put in place to try to help those who are living in these difficult times in the fisheries in Newfoundland and Labrador and, for that matter, in all of Atlantic Canada.

Certain criteria under the program are being applied. If the member has suggestions, I am ready to look at them, but my understanding is that those we claim are now not eligible, it is simply because of the fishing pattern. But I am ready to look at the issue.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, the suggestion is very simple, apply the same rules to those people as are being applied elsewhere in the province.

My supplementary question is for the minister, and this matter comes, even more directly, under his jurisdiction. He will know, of course, that fishermen who have qualified this year for unemployment insurance will not have any source of income under that program until early in December.

These people, because of the very poor fishery this year, have been without income of any kind for several weeks already and are facing another five weeks before they get any unemployment insurance.

I wonder if the minister would undertake to see to it that these fishermen are given some immediate access to income through these special projects under the aid package or otherwise.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I am ready, of course, to look at how, with the flexibility that exists under the UI act, we can answer some of these problems. But the UI act cannot be the answer to everyone's problems when they face difficult economic times. The money paid into the UI fund by employers and employees throughout the country is one that has to be managed according to the legislative framework that embodies it. If there is that flexibility within the act, I am ready to look at it as I indicated earlier.

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THE ECONOMY

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, interest rates have dropped. I listened to the Minister of Finance suggest that there was some simplistic proposals being made by the opposition, yet his predecessor and the Prime Minister both told us on a number of occasions that when interest rates came down and the bank rate came down to a reasonable level the dollar would fall as well.

The Minister for International Trade knows that was said. It even said in the budget documents that the dollar would come down as interest rates fell.

I want to ask the Minister of Finance directly whether or not he is now prepared to tell us when the govern-

ment is going to respond to the devastation that is being directed on industry in this country, especially exporters. When will the government act to allow the Canadian dollar to come down?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would really be interested in knowing from the hon. member where in the budget that precise quote stating exactly that the value of the Canadian dollar will come down as interest rates fall appears. I think the hon. member may be making a supposition but I do not believe that he will find it in the budget.

What the hon. member is saying is that the Canadian dollar is showing considerable strength and a lot of it has to do with the borrowings by the provinces and the inflow of Eurodollars and other foreign currency which is being transformed into Canadian dollars and therefore driving up the price of the dollar. There are a whole host of factors that enter into the exchange rate and the hon. member knows that very well.

I think the bottom line is that there is an inherent strength in the Canadian economy that others see that perhaps the hon. member and others in this House do not see.

If the hon. member is suggesting that one can just simply snap one's fingers and bring the value of the dollar down, I would be interested in knowing how he would propose to do that. The value of the dollar is not set by the government, it is set in the marketplace and the hon. member should know that.

[*Translation*]

Mr. Douglas Young (Acadie—Bathurst): Mr. Speaker, the Minister of Finance loves to look at headlines, but yesterday's headlines in New Brunswick read as follows: "Stone Consolidated of Bathurst to cut back. Fraser to suspend operations at Atholville plant. Brunswick Mining no longer competitive, mainly because of high dollar".

Does the Minister of Finance agree with the Prime Minister of Canada who said this year that when interest rates went down the Canadian dollar would also drop substantially? Does he agree or not?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I can only indicate to the hon. member that in spite of what he is saying, we have a merchandise trade balance of about $13.5 billion and it is increasing. It is a positive trade balance and it is increasing.

Our trade with the United States is increasing. We realize that the exchange rate has an impact upon competitiveness in the international marketplace, but it clearly demonstrates that we are doing very well in terms of what we are achieving in the export market.

I should also say to the hon. member that the impact of interest rates, for example on a person who is carrying a $50,000 mortgage, his monthly payments today are about $130 a month less than they were a year ago. On a $20,000 loan on a car, a person is paying $50 a month less on the payments on his car than he did a year ago. A small business firm with a $200,000 amortized loan over 10 per cent is paying about $600 per month less than he was a year ago. Those are pretty positive features and the hon. member should recognize that.

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CANADA–U.S. FREE TRADE AGREEMENT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is for the Deputy Prime Minister. Many questions exist surrounding the events that led up to that final signing of the free trade agreement.

The minister responsible for stick-handling those final negotiations today in the press astonished everyone by saying that her files had been destroyed on purpose. She said the government actually stole her files and destroyed them. She went on to say that as a former minister her files would not have been destroyed without someone's authority.

My question to the Deputy Prime Minister on this incredible act of sabotage within the government is this. Who authorized the destruction of those files?

Some hon. members: Oh, oh.

Ms. McLaughlin: Hear, hear. Good question.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, Senator Carney has her version of events. My department looked into this in some considerable detail.

Files were inadvertently destroyed following her departure from the portfolio. By examining material in the National Archives, we were able to estimate what the

value of that might be. We have looked into this matter very thoroughly and are satisfied with the conclusions.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, the minister says files were inadvertently destroyed. We are talking here about thousands and thousands of pounds, a small forest of files that were destroyed.

We recognize that the $20,000 may be some effort to pay out the member of the other place so she does not say anything more about this, but what we see,—

Some hon. members: Order, order.

Mr. Speaker: The hon. member knows perfectly well that that is an improper suggestion. I know he would want to withdraw it and then he can complete his question.

Mr. Riis: Obviously there has been a clandestine covering up—

Some hon. members: Oh, oh.

Mr. Riis: Let me finish—

Some hon. members: Oh, oh.

Mr. Speaker: Perhaps the hon. member could put his question directly and leave out the suppositions.

Mr. Riis: Mr. Speaker, my question to the Deputy Prime Minister is: in view of the fact that thousands of pounds of critical, sensitive documents mysteriously disappeared like the Al-Mashat letter, does the government not feel that a public inquiry would be appropriate to find out what went on in those critical hours before that free trade agreement was signed?

• (1150)

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, there was an investigation within our department. I have answered this question and I have no intention of pursuing it any further.

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EXTERNAL AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have questions for the Secretary of State for External Affairs on two very urgent international humanitarian issues.

As the minister well knows, there are 4,500 Jews in Syria whose human rights are being violated. They are not allowed to emigrate, arrest and torture are commonplace. In particular there is the desperate situation of a number of people, particularly the Swed brothers who have been in prison for over four years without any trial at all.

I want to ask the minister if she will make a direct request of the Prime Minister to appeal to President Assad of Syria to release these people as a demonstration of his own government's commitment to trying to find some peaceful solution in the Middle East.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I think what is most important about the peace process in the Middle East is that the parties that are at the table pursue their discussions in what now is seen as a reasonably positive atmosphere.

In the case that the hon. member is referring to, we have been in constant touch with the Syrian authorities at the highest levels within the government regularly over the period of their incarceration, and indeed were successful in having those sentences reduced.

I will be very happy to look into it again and make further representations. We have been doing this fairly constantly and I am quite prepared to do it again.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I recognize that representation has been made, but we are asking that the Prime Minister himself make a direct appeal to his counterpart in Syria to try and release these people who are having their positions so desperately violated at the present time.

I would like to ask a supplementary on another humanitarian international question. We have all witnessed the siege of Dubrovnik and the over 60,000 people who are without water, without food and without any form of electricity. Limited humanitarian assistance was received last night but we know it is not nearly enough.

I would like to ask the minister if the Canadian government would make a direct appeal to member states of the United Nations and the European Community to undertake the kind of serious airlift of food and medicines, similar to what happened with the plight of the Kurds, and will Canada offer to directly participate in such an international effort?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, once again this has been constantly in the forefront of our discussions internationally, both at the UN and in the European Community. As monitors of the potential ceasefire in Yugoslavia, we are very much a part of what is going on, both through the European Community and the WEU.

Certainly we are prepared to raise the issue of an airlift of goods for humanitarian reasons and to try everything that we can to ensure that things get through to the people in this really tragic situation in Dubrovnik.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, my question is for the same minister.

Mr. Anton Kikas, a Toronto businessman and Canadian citizen has been under arrest in Belgrade, Yugoslavia since August 31 of this year. As of last night, no charges have been laid against him by either the civil or the military authorities. The military courts holding Mr. Kikas refuse to release him or to begin legal proceedings against him.

We are talking about a Canadian civilian who is being held by military authorities. What is the Canadian government doing to protect Mr. Kikas' rights?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, at Mr. Kikas' personal request he has claimed the provisions of privacy and has specifically requested of the Canadian government and others that his case not be discussed publicly by anybody. Our consulate is in touch with Mr. Kikas and is also in touch with the Yugoslavian authorities in an attempt to protect the rights of a Canadian in another country. Beyond that it is not possible for me to comment at the request of Mr. Kikas himself.

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, I have spoken to Mr. Kikas' counsel. What Mr. Kikas asked is that counsel address all issues in the press and that was the extent of his request. I add again that Mr. Kikas has been held for 60 days without charges. That surely is unreasonable.

Will the minister press the Yugoslav authorities today for an immediate release of Mr. Kikas? Such release is already authorized under Yugoslav law.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I would assume that Mr. Kikas' request for privacy should apply to other members of this House besides myself and that we respect that request on his part. I think it is most appropriate to address inquiries through his lawyer. Beyond that, once again I have no further comment.

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REFUGEES

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, my question is for the Minister of Employment and Immigration.

On September 30, the Canadian chairman of a south Asian community wrote to the minister making a one time request to sponsor about 400 of their co-religionists who have been stranded for years in New Delhi, far away from their homeland. The committee has also tried to assist these desperate refugees through various Canadian church organizations and NGOs. Sadly to date only a small number of Afghan Ismailis have been successfully sponsored.

Does the minister really understand the serious plight of these refugees and will he give the utmost priority to the request to include them in the 1992 refugee cycle which I think he is announcing today?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I appreciate the member's concern. I can assure him that we are always prepared to help sponsors seeking to bring convention refugees to Canada.

As you know, Mr. Speaker, and as members of the House know, we work very closely with the UNHCR, the United Nations High Commissioner for Refugees and we will continue to do so.

I must tell the hon. member, however, that the UNHCR is encouraging repatriation for this group and not third country resettlement. Of course we are always prepared to consider individual cases.

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CANADA-U.S. FREE TRADE AGREEMENT

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Mr. Speaker, I would like to return to the Secretary of State for External Affairs on the matter of the shredding

of the free trade agreement documentation. The minister says she will not pursue this matter any further.

I want to assure the House that the New Democratic Party will pursue this matter further because Canadians want to get to the bottom of this sort of thing.

Mr. Speaker: The hon. member will put the question.

Mr. Axworthy (Saskatoon—Clark's Crossing): The question that I have for the minister, and the one question I think Canadians need to know the answer to is: What was the money paid to Senator Carney for?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, first of all what I said was that I would not pursue this any further under these circumstances. I was referring to the manner in which the question was asked. The amount was paid in recognition that documents that had some value to Ms. Carney had been destroyed. The value was determined independently on the basis of the value of other documents within the National Archives.

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THE ENVIRONMENT

Mr. Garth Turner (Halton—Peel): Mr. Speaker, earlier this week there was a conference here in Ottawa on the effect of putting property rights in the Constitution. The issue of environmental protection was raised.

I want to ask a question of the Minister of the Environment. In his opinion, does the entrenching of property rights in the Constitution in any way threaten existing environmental legislation? Will the right to own property give the right to pollute it?

Mr. Speaker: I have to advise the hon. member and the minister that that is asking for a legal opinion and it is not appropriate. If the minister wants to give his comment he can.

Hon. Jean J. Charest (Minister of the Environment): I will be very happy to offer a comment, Mr. Speaker, as you so correctly point out. I would never offer a legal opinion and seek to substitute myself as a judge, as you know.

This is an important issue in regard to the environment because it has been brought up as a concern.

Let me first state the fact that the federal government's intent in regard to constitutional proposals is not to diminish our role in the area of the environment. Quite the contrary, we look upon these constitutional proposals as an opportunity to clarify some roles and establish some working principles.

• (1200)

In the area of property rights, I have been a bit concerned about some remarks by some people who seem to indicate or think that because there would be property rights that in itself would negate the possibility for a government to legislate or produce regulations in the area of the environment.

As far as we know that is not the case. Rights do not exist on and upon themselves. They do not exist in a vacuum. They exist in the historical, social and economic context and it should be viewed in that way.

That being said, we look forward to comments that will be made by people who are concerned about this in the context of the committee or the Standing Committee on the Environment.

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NUCLEAR VESSELS

Mr. Jim Fulton (Skeena): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

On Wednesday cabinet consented to U.S. submarines to transit internal Canadian waters at Dixon Entrance effective October 30, 1991.

Would the minister advise this House whether there have been submerged U.S. submarine transits of Dixon Entrance in the past two years and, if there have been, has the public been informed? Under what form has Canadian government consent been given to such transits?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I would be very happy to double check the information that is at my disposal.

My understanding is no, but I am quite prepared to look into it and let the member know.

POINTS OF ORDER

WITHDRAWAL OF COMMENT

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, obviously I have not had a chance to see the "blues" yet, but if I have inadvertently alleged that the former minister for External Trade had accepted the $20,000 as a pay-off I fully withdraw that remark.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I rise on a point of order. I appreciate that withdrawal, but I thought it should have been a more fulsome withdrawal, because as I heard Mr. Speaker ask for a withdrawal—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. government House leader has the floor.

Mr. Andre: I heard Mr. Speaker during Question Period ask for the withdrawal of a question that as I heard it would have been slanderous if uttered outside this institution. I then heard no withdrawal but heard another question being put.

I humbly submit if slander is to be permitted and after the fact later one can impart "if I said something inadvertently" and then go on to ask questions, that behaviour will be carried on in perpetuity.

I humbly ask that if we are to restore to this institution a reputation we all say it needs, perhaps we should be a little more willing to admit transgressions, more immediate in our withdrawals, and less willing to slander in this institution in a way that would be subject to court action if done outside this institution.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, just on the point of decorum, I think the government House leader should be aware of the fact that while he was thrusting and jousting with the NDP his colleague, the Minister of Justice, characterized another NDP member as slimy. The former Minister of Finance told me to go back to kindergarten.

It seems to me that when we are talking about decorum the use of words like slimy and kindergarten really do not have a place here either.

Mr. Andre: Mr. Speaker, this is a charter member of the rat pack who in her own book says: "I have a big mouth"—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. government House leader has risen on the point of order in which the hon. member for Kamloops made a withdrawal. The hon. government House leader has made a comment. Does the hon. government House leader wish the floor further?

Mr. Andre: I happen to sit right in front of the Minister of Justice and I did not hear the accusation, the word that the member for Hamilton East attributed to her, and in her absence I wanted to make the point that was not said.

Perhaps we should remind ourselves of the kinds of things people are saying around the country about our behaviour and remind ourselves that yesterday there was a very serious and important debate in this House about decorum based on a motion which was unanimously passed by the House in terms of the behaviour of the member for Port Moody—Coquitlam. Yet we unanimously pass that motion in the House, leave this House, go outside and immediately condemn this House for its decision.

That is the kind of thing we have to stop doing if we want to bring respect to this institution and to members of Parliament who try to represent their constituents here.

REQUEST FOR STATEMENT

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I rise on a point of order to ask the government if it would consider making a statement on the terrible air crash in northern Canada. A number of members have concerned constituents and we would like to have some information about it.

If the government is not in a position to make that statement now, could it undertake to do so if information is available before the House adjourns this afternoon?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I appreciate the concern expressed by the member. I know it is a concern shared by all members of

this House and our thoughts are with the families and the victims of this terrible crash.

I do not yet have final information about the number of survivors. At this very time the rescue efforts are continuing. There are people on site providing support to the victims and the evacuations will be taking place as soon as they can be effected safely.

There are survivors but there are also critical injuries. We will of course be assessing the situation and advising the families. We will be making that information public as quickly as possible. If information is available before the House closes, I will be pleased to return and provide that to the member and to the House.

COMMENTS DURING QUESTION PERIOD

Mr. Maurizio Bevilacqua (York North): I rise on a point of order, Mr. Speaker. During Question Period and in response to my question on training, the Minister of Employment and Immigration stated that during the years when the Liberal Party was in government we spent nothing on training. The reality is—

Mr. Speaker: The hon. member is entering into debate on what the minister said or what was done many years ago by another government. That really is not a point of order.

I will hear the hon. member further.

Mr. Bevilacqua: Mr. Speaker, we cannot get away with saying all sorts of things in this House that are not based on reality.

Some hon. members: Oh, oh.

Mr. Speaker: First of all, I can understand the position of the hon. member. When there is a sharp disagreement as to what the facts are there is a natural tendency to want to correct it, but I ask hon. members to remember that there is a distinction between the kind of deliberate statement which may be untrue and the understandable difference of opinion as to what was done by whom and in what place.

I could point out in this case that the hon. minister a moment or two later said that he might not have been altogether correct. However, once we get into that there is no stopping it.

Another thing I point out is that preambles often make statements that could well be quarrelled with by the other side. I think that if we had everybody up on points of order after every Question Period we would be going for quite a long time.

• (1210)

I understand the hon. member's concern, but there must be another way to correct it. Of course the late show would be an excellent usage of that opportunity. You could return to the matter in Question Period or return to the matter in questions and comments at the close of the government member's speech on a bill, provided of course that the Speaker does not hold you too closely to relevancy.

Mr. Bevilacqua: I just wanted to point out to the minister that there is a difference between zero and $2.2 billion.

Mr. Speaker: I suppose I have to concede there is no question of debate there.

WITHDRAWAL OF REMARKS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would like to ask you when you are reviewing the "blues" from Question Period to look at what happened in the incident of the question raised by the New Democratic member.

I want you to look at it, Mr. Speaker, if you do not mind, from this perspective. I believe that what happened is that the hon. member introduced a question that contained inflammatory language on which you then called him to order and asked for his withdrawal. He did not withdraw it. He got up and asked another question. What happened from that is that we had a very quick escalation of the failure of members to live up to our own standards that we want to see in terms of decorum.

Mr. Speaker, my point is this: I would ask you to review those "blues" because I believe your action was correct in the first instance, to cut the question off and ask for a withdrawal. I would ask you to examine that because I think that is a pattern for practice that will allow us and prevent us, I guess in fact, from getting into these situations of an escalation of an ugly event.

Mr. Speaker: As always, I will take the comments of the hon. parliamentary secretary and consider them in the continuing effort to maintain the kind of decorum that the public is expecting of us.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I am deeply concerned by this continuing exchange in view of the fact that when I last rose in this House with respect to some comments made by Conservative members which had been withdrawn, the ruling of the Chair at that point was that once the withdrawal had taken place the matter was finished.

My House leader has withdrawn the language which has been referred to at length by various people on this side. I think to be consistent, that should be the end of the matter.

Mr. Speaker: So far as the hon. member for Kamloops is concerned it is the end of the matter.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I rise on the topic of decorum in the House. I know you feel and we agree that all of us members have a role to make it happen, but in the case that we are just discussing, I have seen the hon. member for Kamloops slip up or make a mistake the odd time, but I do believe he is very calculating person and when he—

Mr. Speaker: If the matter is closed, how many members are going to get up and comment upon it? Perhaps the hon. member could tell me what his point is then.

Mr. Attewell: It is this, Mr. Speaker: I do not think it is good enough for somebody to make that type of remark—

Mr. Speaker: Look, I am sorry. The hon. member now is retrying the issue. That is the very thing the hon. member for Essex—Windsor complained about. I see it as a retrial of the issue. The issue is over with, just as over with as I have—

An hon. member: We are talking about your responsibility.

An hon. member: Sit down.

Mr. Speaker: Not in connection with this case. We can talk about my responsibility some other time in another place, but I am not going to pursue the question that was raised with respect to the hon. member for Kamloops no matter how ingenious the attempt may be made to do it.

ROUTINE PROCEEDINGS

[*Translation*]

CONSTITUTIONAL AFFAIRS

TABLING OF TWO BACKGROUND PAPERS

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, pursuant to Standing Order 32(2), I wish to table in the House two background papers, in both official languages, entitled *Aboriginal Peoples, Self-Government and Constitutional Reform* and *Shared Values: The Canadian Identity.*

* * *

IMMIGRATION

ANNUAL REPORT ON IMMIGRATION LEVELS FOR 1992

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, again under Standing Order 32(2), I wish to table, in both official languages, the Annual Report to Parliament on Immigration Levels for 1992.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to section 36(8) of the Standing Orders, I have the honour to table, in both official languages, the government's response, several petitions.

* * *

UNEMPLOYMENT INSURANCE PROGRAM

1992 EXPENDITURE PLAN FOR DEVELOPMENTAL USES

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, pursuant to Standing Order 32(2), I have the honour to table, in both official languages, the 1992 expenditure plan for developmental uses of the unemployment insurance program.

I am especially pleased today to announce this plan, which is an increase in funding for the developmental uses of the unemployment insurance program. We will be allocating $1.8 billion in 1992 to support training and other adjustment programs for unemployed Canadians.

These programs will be available to UI claimants to assist them in getting more permanent high wage and high skills jobs to make them and all Canadians more competitive and more prosperous.

Funding for training and other adjustment measures was increased as a result of changes to the UI act in November 1990. These changes to the act reflect the government's commitment to prosperity. This is the prosperity message which, by the way, my colleague the Minister for International Trade and the Minister of Industry, Science and Technology and I announced on Tuesday.

This 1992 expenditure plan for developmental uses, which I am tabling today, provides a comprehensive picture of why and how these expenditures will be made. This is an historic development. It is the first time in Canadian history that business, labour, educators and social action groups formally acting together in partnership as the Canadian Labour Force Development Board, have made a joint recommendation to government.

The government has accepted in full the board's recommendations. The government's labour force development strategy, in seeking to establish a new partnership in Canada, has today delivered hard evidence that, yes, partnerships are possible and work, and the benefits of collaborating can be substantial and positive for all.

The labour force development strategy, an exercise of the mandate the government gave to this new board last year, represents an historic departure in the making of national economic policy. No one can fail to be impressed with how our major competitors derive substantial economic and social benefits from real partnerships between labour and management.

• (1220)

The Prime Minister of Canada, my predecessor at employment and immigration and many others in government, key figures in business and labour provided real leadership over the last two years in pressing for this new level of co-operation.

We can all take pride in this accomplishment today, in seeing the reality of the partners working closely together. It is a landmark in the evolution of the relationship between management and labour in Canada in this century. It provides ample evidence of the government acting when action is called for. It is a self-evident truth that some fundamental changes in Canadian society cannot be effected by government fiat or acts.

If the hon. member opposite and especially the hon. Leader of the Opposition would take the time to read their briefing notes or, better still, read those two discussion papers which we tabled Tuesday on prosperity, he and they would better understand this truth. When you hear them speak they want Canadians to believe—

[*Translation*]

They want the people in my riding to believe that the government can solve all the problems of our economy.

[*English*]

These documents are trying not to do that.

Competitiveness and prosperity cannot be achieved by actions of government alone.

[*Translation*]

That is not the way to competitiveness and prosperity.

After reading the two papers we tabled last Tuesday, hon. members will realize we cannot force Canadians to learn. Governments as such cannot create a learning culture or in any way impose one on Canadians.

The federal government has given Canadians all the facts. We have explained clearly and concisely what the costs and consequences will be if we refuse to learn on a continuing basis. We also explained all the benefits that accrue from acquiring knowledge and skills.

It is now up to Canadians to choose. They will also have to decide what other changes in attitude and behaviour we will all have to consider if we want to ensure our future prosperity. Starting a dialogue and forging a consensus for truly concerted action are goals recommended by experts throughout the world, not just here in Canada, to all peoples and all nations. It is also

the conclusion reached by all studies so far. We are not re-inventing the wheel.

To deny Canadians an opportunity to speak to each other in a broad national dialogue amounts to rejecting all the wisdom that has come down to us through the ages. The national dialogue on prosperity which we started this week will not be interrupted or delayed for even one day by the implementation of other important measures. I announced one of those measures today: The allocation of funding totalling $1.8 billion.

This may be an historic step but it is only the first step. The situation in the world today demands a much closer partnership involving all parties.

[*English*]

Hon. members in this House and all Canadians will want to know that the board has made specific recommendations on the amount of money which should be allocated to training and adjustment programs in 1992.

The board also recommended in this budget allocating the following sums to each of five programs: $100 million for work sharing; $120 million for job creation; $1,005 million for income support while training; $500 million training course costs; and $75 million for self-employment. This total of $1.8 billion represents a significant increase in the level of funding for these developmental uses.

During the 1980s funding remained in the range of $300 million to $500 million and this new level of funding for 1992 delivers on the commitment made by the government during the debate on Bill C-21.

Of even greater importance, in the great debate on the free trade agreement, this government committed to put adjustment programs in place for displaced workers. We often hear that there are no such programs. This is the tangible proof of the government's commitment to workers in Canada.

Many of those who are unemployed today will now receive, because of this new level of expenditure, new opportunities to gain the high wage jobs that the FTA and other economic measures are bringing to Canada. Every hon. member, I am sure, will want to acknowledge that the efforts this government invested in developing the labour force development strategy and in creating this historic board has yielded tangible results. With the effort and support of all parties at the table, the strategy is working and working well.

In conclusion, I know that I am going to be followed by people on the other side. I expect the Liberals to stand up in this House and apologize to all Canadians for having held up the implementation of Bill C-21 which has delivered the kind of money which people who are unemployed in this country badly need. So I cannot wait for his apology.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, right from the offset I tell the minister that we on this side of the House have no intention of apologizing to the minister and his government for any vision that we have for prosperity in this nation.

During our years in government we were truly committed to the issue of training. We were truly committed to a vision that would bring prosperity to Canada.

While we, on this side, are obviously disappointed with the statement and the proposal made by the government, we are not however at all surprised. While the government enjoys speaking about global competitiveness, prosperity agenda, learning culture and all the other catch phrases that are designed by some media gurus in the backrooms, we are looking at the substance of this government. When we look at substance in the area of training, when we look at the indifference that this government has shown in the past seven years in the area of training and education, it does not auger well for the future of this country nor does it auger well for the future of our children.

I think we in this House should always be mindful that every decision we make as a government is going to have an impact on the future.

Today's statement by the minister is a clear indication that once again this government is abdicating its responsibility to the unemployed people of this country. This government has been a government that has been involved in shell games, taking credit for moneys and commitments that certainly do not come from the government itself, but are commitments that come on the back of unemployed Canadians, those individuals who need our help the most.

• (1230)

Today we heard a report, and we read a report that $400 million was once again going to be squeezed out of unemployed Canadians for training. Between 1984 and 1988 this government cut total funding for job training from $2.2 billion to $1.6 billion. Last year alone it cut $100 million from the Canadian Jobs Strategy.

If you want to speak about global competitiveness, if you want to speak about responsibility in a global environment, then this government should take note of the fact that while our competitors are increasing their total commitment to training, in Canada, federal training expenditures have gone from .24 per cent of the Gross Domestic Product in 1984–85 to .17 per cent in 1989–90.

Finally, we are certainly not going to buy the cosmetic veneer of the government on the issue of training. We are not going to buy the falsehoods presented on the issue of helping young people. From 1985 to 1990, the budget for SEED, the Summer Employment Experience Development program, was cut in half from $150 million to $77 million. Those are not figures that are often cited by the Minister of Employment and Immigration.

I ask the minister how these practices are helping Canadian workers adjust to the changing skill requirements. How are these practices helping Canadian students acquire the education they need to compete against the rest of the world?

If we are serious about global competitiveness, if we are serious about building an agenda for prosperity, then we must act on it. This government talks a good game but at the end of the day it is clear that it has abdicated its responsibility to training and education.

The minister speaks about co-operation between business, labour and government while his government is in the process of withdrawing from the field of training. That is contradictory. It emphasizes the essential problem that this government has. The problem is that it lacks a coherent approach to training and education. If the Conservatives had a coherent approach, they would realize that there is a relationship between a tax on books and the problem of illiteracy. They would realize that putting a 3 per cent tax on students makes education less accessible, more difficult to acquire. They would realize that when university students are studying in overcrowded classrooms, using antiquated materials and outdated texts, the education one is getting is not the very best.

Instead of seriously attacking the crisis in skills training and education, this government continues to offer Canadians half-baked plans like the program we see today. It uses the money that it has squeezed out of unemployed Canadians for this. For those individuals who really need our help, this government allocates an amount that does not even begin to reverse the damages that it has done.

I also want to draw from an article that appeared in the *The Toronto Star* of October 24, 1991, I believe. Of the additional moneys, the $400 million allocated today, half of that would simply make up for the $200 million cut over the past two years from the government's Canadian Jobs Strategy.

This is the same government that parades throughout Canada advocating the wisdom of training, education and world-class economy.

If one is serious about it, then one should be committed to it. Today it has demonstrated it has absolutely no commitment in the area of education and training. It is only willing to do it by raising premiums. It is only willing to do it with employers, employees and unemployed Canadians, but it is not willing to participate in a responsible and dignified manner in helping those people who elected this government and this House to help them.

Therefore, I am not at all happy, as I am sure many unemployed Canadians are not happy. I am sure many Canadians feel cheated by this government that has decided to enter the new era of global competitiveness, but it does not have a clue how to become competitive in a global competitive marketplace.

I will take just one last minute to wrap up. I would just like to say that the time has come to act. The government has had seven years. The time has come to be serious. The time has come to stop tricking Canadians. The time has come to put your money where your mouth is so that we can build a prosperous Canada.

Ms. Joy Langan (Mission—Coquitlam): Mr. Speaker, I want to say that a little ways back in his speech, the hon. member who just spoke before me asked some pretty provocative questions about where the training is for a number of categories of young Canadians. I think those

are questions we all hope the minister will answer very soon.

In his announcement today, the minister said this was an investment of $1.8 billion in Canadian workers. Let us be perfectly honest here, this is $1.8 billion of UI premiums paid for by the workers of Canada and by the employers of Canada. Not one dollar is paid for by this government. Let us be absolutely clear what we are talking about when we make these announcements that we are doing all these grand and wonderful things for the workers in Canada.

This $1.8 billion is only possible as well because of longer entrance requirements and shorter eligibility for those who are on unemployment insurance or need to go on unemployment insurance. Let us not monkey around with what the real world is about in the world of unemployment insurance. Let us not try to give the workers a snow job that this government is doing them a great big favour. Let us be really clear about what we are talking about.

Having said that, I want to acknowledge that the government is recognizing the importance of training and education. The recommendations of the Labour Force Development Board are being acknowledged by this government and are being implemented, as the minister just stated.

It is not a case any more of whether or not we agree with Bill C-21. That bill has passed and now we are dealing with a reality based on that bill. Therefore, I must say that I am pleased to see this training being made available for Canadian workers.

Recommendations are very important, but I think it is also important that we read into the record something said by the co-chairs of the Canadian Labour Force Development Board. That recommendation was to the minister:

> You are no doubt aware that there has been a great deal of controversy about whether unemployment insurance funds should be used to pay for anything other than income support

It is important to be explicit here, as it is in the report, that the board is not passing judgment on this issue within its recommendations. Indeed, the board is committed to dealing with this issue as part of an ongoing work program. In other words, we all have our hands tied and can only deal within the parameters of what is in the Unemployment Insurance Act since Bill C-21.

• (1240)

The previous speaker from the opposition side of the House said, and I concur, that it is terribly unfortunate that on one hand we see an increase in funding for training, but at the same time this government is providing for cuts. Actually, it is not at the same time, it provided for it earlier this year in the Canadian Jobs Strategy. Only yesterday we had representatives here from the United Fishermen and Allied Workers Union from British Columbia. They were seeking a meeting with the minister, which they did not get, to plead with the minister to ensure that the employment fund that was provided last year be extended this year. This is because fishermen in B.C. and shore workers in B.C. are unable to qualify for unemployment insurance under the new guidelines of Bill C-21.

The minister responded to a question in the House by saying that he would review this. We must plead that if this government is concerned about the unemployed in this country, if the minister is supporting his colleague on this prosperity kick we are on in Canada on this big $20 million show, then surely to God we could get $1 million, or between $1 million and $3 million, out of a $20 million budget. It started at $15 million on Tuesday and by Thursday it was a $20 million budget for prosperity bumf in Canada. Now we cannot get $1 million to $3 million to save the fishermen and the industry in British Columbia. It would seem to me that we have a government speaking out of both sides of its mouth on this issue.

I want to talk a little bit about what is in this statement by the minister and what is in his announcement. As I have said, we believe that the UI fund should remain primarily an income support program. We should be finding alternate mechanisms for training funding. At the same time, we should be looking elsewhere. I want to give a couple of examples of elsewhere. In Sweden, training is seen as a responsibility of the employer. Wages are subsidized to new entrants to the work force and the employer ends up with a skilled worker in the future. This is not so in Canada. The workers have to pay for training out of the very fund that has been set up to protect them when they are unemployed.

A couple of years ago the president of Boeing said that he could sell 10 Dash-8 aircraft per month, but they only had a work force capable of building five Dash-8 aircraft in that time. This represented a multimillion dollar loss every month, not to mention the tax losses that this

government sustained by not being able to produce those aeroplanes.

Yet there was no mechanism in place to provide for the kind of high-tech training that those workers needed in that industry to be able to produce 10 airplanes instead of five.

We have an announcement today of this wonderful increase from $1.4 billion to $1.8 billion but still we have not addressed how to deal with situations like Boeing was faced with a couple of years ago.

David McCamus, who is the chairman of Xerox Canada, is not a person whom you would consider to be, or I would consider to be, sharing my views on this very important subject. But on June 3, 1991, Mr. McCamus was quoted in *The Globe and Mail*:

> Canadian firms spend $98 per person annually to teach workers new skills. "That's less than the cost of a dinner at a moderately good restaurant in Toronto".

This is also probably less than the cost of a moderately good dinner in Ottawa.

It should be noted as well that most of the money employers are spending is being spent on managers rather than on those workers who are producing the product, those workers who are on the line and need the skill upgrading and need the ability to operate the new equipment coming in to keep our workers competitive.

While we are very, very happy to see this kind of program in place we have made it very clear that we do not appreciate where the money is coming from. We believe very strongly that the minister should be "fessing up" that it is not coming from this government but that it is coming from the workers and the employers of Canada.

We believe very strongly that while we are funding this particular program there is tremendous confusion about what programs there are and what funding there is. As a result of that all kinds of people are falling through the cracks and are not getting the training that they should be having.

In conclusion, I wish the minister well with this second year's initiative with this program. I am glad to see that he takes the Canadian Labour Force Development Board seriously and I hope that relationship will continue.

* * *

PETITIONS

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is an honour and indeed a privilege for me to have an opportunity today to present a petition pursuant to Standing Order 36 from the citizens of Kamloops, British Columbia, and actually a number of other western communities. They are concerned about the ability of the Royal Canadian Mounted Police to fulfil their mandate as a result of cutbacks that have been experienced over the last number of years.

They point out a number of reasons why they feel the RCMP should actually receive increased funding. They point out a concern about the increased level of lawlessness that some communities are facing, and they call upon the Government of Canada to restore adequate funding to our RCMP so that it can fulfil its mandate and role as the only visible police force for many communities across British Columbia and remain as a viable symbol of Canadian unity.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): The next petition is on another matter that is actually unrelated, but equally matter. It has to do with the decision—and I understand this was made public in the last number of hours—of a firm called Multinational Resources, which is a company on the Vancouver Stock Exchange, that plans to invest $4 million in accelerating its plans and designs to dam the North Thompson River at Valemount, British Columbia in an effort to divert the water into the San Diego, California basin.

This is one of the many proposals of what is known as the NAWAPA plan. That is a plan to divert Canadian rivers into the United States and northern Mexico. Our government is presently negotiating a deal with the United States and Mexico and so the petitioners are calling upon the Government of Canada to state categorically that it will not permit our fresh waters to be dammed and diverted into the U.S.A.

JUSTICE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present many petitions with hundreds and hundreds of signatures of residents of Canada to add to those already presented.

These petitioners feel that there are serious deficiencies in the criminal justice system. There are many vulnerable persons who have little protection in the current system. Women, children and disabled persons are at particular risk.

These petitioners request that Parliament recognize that crimes of violence against a person are serious and abhorrent to society and they ask that Parliament amend the Criminal Code of Canada, the Bail Reform Act of 1972, and the Parole Act.

YUGOSLAVIA

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I have the honour under Standing Order 36 to present a petition on behalf of approximately 300 Canadian citizens who are concerned about the ongoing carnage in Yugoslavia. They call upon Parliament to bring justice to those responsible for crimes committed against humanity and to recognize without delay Croatia and Slovenia as independent sovereign states.

• (1250)

These petitioners are from Burlington, Hamilton, Guelph, Kitchener, London, Rexdale, Toronto, Mississauga, Woodbridge, Etobicoke, Downsview and Richmond Hill.

At the same time they also commend the efforts of the right hon. Prime Minister of Canada for his efforts and requests to the Security Council to have the United Nations intervene in the Yugoslavian civil war and to send peacekeeping forces to Yugoslavia to prevent further carnage in that tragic conflict.

EAST TIMOR

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is indeed an honour to present a petition which has been signed by several hundred Canadians from Vancouver Island, the lower mainland in B.C. and various points in Ontario. I am sure these people were shocked to hear what seemed to be the *de facto* blessing which the external affairs minister gave to the illegal and brutal occupation of East Timor by Indonesia recently. They call on Parliament to condemn the Indonesian military occupation of East Timor, the genocide of the East Timorese people, and to publicly support the right of the East Timorese people to determine their own destiny by referendum and free elections and to support these causes in the United Nations and all other international arenas.

NORTH THOMPSON RIVER

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I would like to submit on behalf of a number of residents in the constituency of Okanagan—Shuswap a petition to the government. These individuals are very concerned about Multinational Resources, a company that has just announced its intention to dam the North Thompson River and divert water from British Columbia down to California.

They are asking the federal government to state categorically that it will not permit our fresh rivers to be dammed and diverted into the U.S.A. They are very concerned that under the provisions of the free trade agreement the export of bulk water from Canada to the U.S. would essentially enshrine Canada's obligation to maintain such exports, and they are very, very worried about it.

ROYAL CANADIAN MOUNTED POLICE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): On another matter a number of constituents throughout the Okanagan—Shuswap are very concerned about the government's intention to cut back on the services of the RCMP throughout Canada. In particular, they ask the government to re-examine its decision to force provinces to increase funding for the RCMP while essentially withdrawing federal funding.

I know there has been some movement in that regard just recently. However I think the submission of these petitions at this time reinforces the very strong feelings that people have about the RCMP and its service in the communities throughout the Okanagan—Shuswap.

MERCHANT MARINE

Mr. Robert E. Skelly (Comox—Alberni): Mr. Speaker, I have a petition from the merchant mariners of Canada who draw Parliament's attention to the critically important contribution made by the merchant mariners to the defence of Canada during World War II and the victory

of the allied forces, and also to the fact that merchant mariners placed themselves under great risk in carrying out their duties. Many lost lives and many were seriously injured.

They would like Parliament to designate Canada's merchant mariners as veterans of World War II, extending to them all the benefits accorded to the veterans of the regular forces.

TAXATION

Mr. Robert E. Skelly (Comox—Alberni): I also have a petition from several hundred people across Canada mentioning that the Government of Canada has not taken due consideration for aboriginal immunity from taxes under the aboriginal rights and treaty rights in the goods and services tax legislation. They are calling on the Government of Canada to revise the legislation and the regulations so that it respects the tax immunity of aboriginal people based on their aboriginal or treaty rights, whether they live on or off reserve.

NORTH THOMPSON RIVER

Mr. Robert E. Skelly (Comox—Alberni): Finally, I have a petition from people who are concerned about the development of Multinational Resources Corporation which intends to dam the North Thompson River near Valemount and to divert that water to the southern California area. They urge the Government of Canada to state categorically that it will not permit our fresh water rivers to be dammed and diverted into the United States and to state that all our Canadian rivers are not for sale.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I have the honour to present a petition under Standing Order 36 in regard to a very important issue respecting the diversion of water in Canada. It is signed by a number of residents of British Columbia, in particular the Okanagan.

The petitioners humbly pray and call upon Parliament to urge the Government of Canada to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian rivers are not for sale.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased, pursuant to Standing Order 36, to present a petition from a number of my constituents' neighbours in south central British Columbia.

It seems appropriate as the MP for Kootenay West—Revelstoke, which as I think without a doubt is the most dammed constituency in Canada, that we should have considerable sympathy and our petitioners do for the issue of concern that has been mentioned earlier regarding Multinational Resources announcement of an intention to dam the North Thompson River at Valemount.

The petitioners urge the Government of Canada to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian rivers are not for sale.

Mr. Sid Parker (Kootenay East): Mr. Speaker, yes, I have a petition to present that has been certified correct. The petition duly states that the Multinational Resources Company has announced the intention to dam the North Thompson at Valemount to divert water to sell in San Diego, California, and other areas.

The petitioners are urging the Government of Canada to state categorically that it will not permit our freshwater rivers to be dammed and diverted to the U.S.A. and to state that our Canadian rivers are not for sale.

As a member for Kootenay East who has seen the devastation of the Columbia River Treaty, my residents are concerned about this matter.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Kamloops on a point of order, I believe that the hon. member for Ottawa—Vanier would like to revert to presenting reports from committee.

Mr. Gauthier: Mr. Speaker, with the patience of the House, I would like to revert to presenting reports from committees.

Some hon. members: Agreed.

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PUBLIC ACCOUNTS

SECOND REPORT OF STANDING COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Public Accounts. This report deals with the disband-

ment of the tax evaluation division of the finance department which occurred last summer.

Pursuant to Standing Order 109, this committee requests a government response to this report.

[*Translation*]

I may add that the committee took this matter seriously, hence our intention to give notice with in the next few minutes so that the report can be considered and concurred in by the House.

[*Editor's note: See today's Votes and Proceedings.*]

[*English*]

The Acting Speaker (Mr. Paproski): I will recognize the hon. member for Kamloops on a point of order after I hear the hon. member on Questions on the Order Paper.

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QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, Question No. 92 will be answered today.

[*Text*]

Question No. 92—**Ms. Hunter:**

Has the government allocated any resources toward the development of exportable environmentally friendly technologies and, if so, how much and what percentage of federal government research and development funds does this represent?

Hon. William Charles Winegard (Minister for Science): It is important to draw a distinction between environmental technologies which are specific to improving or protecting our environment and environment friendly technologies which may not relate directly to the environment but the application of which does not injure the environment.

It is very difficult, both in a technical and statistical sense, to separate expenditures into these two categories. This having been said, it is estimated that for the fiscal year 1991/92, the federal government will allocate $3,287 million to support R and D in general and $65 million specifically targeted to the environment. The $65 million represents 2.0 per cent of the total estimated allocation for the support of R and D in 1991/92.

* * *

[*English*]

STARRED QUESTIONS

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, would you be so kind as to call Starred Question No. 118.

I ask that it be printed in *Hansard* as if read.

[*Text*]

*Question No. 118—**Mr. Duhamel:**

For each year since 1987–1988, what is the total of all grants paid to businesses by the federal government for (a) small (b) medium (c) large businesses?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): I am informed by the Office of the Comptroller General of Canada as follows:

The total grants and contributions paid to businesses by the federal government since 1987–1988 by fiscal year is as follows:

1987–88—$2,849,321,460

1988–89—$2,828,328,867

1989–90—$2,926,137,890

1990–91—$2,493,222,484

The information is not available for amounts paid to small, medium and large businesses.

[*English*]

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

The Acting Speaker (Mr. Paproski): The questions as enumerated by the parliamentary secretary have been answered. Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

Mr. Riis: I rise on a point of order, Mr. Speaker. Standing Order 39(5) indicates that when members submit a question under this category of the agenda they can request that a minister respond to a specific question within 45 days.

We have these Standing Orders. We have agreed to them and we are expected to follow them. Yet, I look at a whole list of questions that have been there, not for 45 days, not 50, not 60, but over 70 days.

I know it is difficult, but government ministries do have people working for them. Their job is to respond to these and to follow the Standing Orders.

Mr. Milliken: 120 days.

Mr. Riis: My friend from Kingston and the Islands says even as many as 120 days. I seek some guidance from you, Mr. Speaker. We either have Standing Orders and we follow them or we do not.

The Acting Speaker (Mr. Paproski): Maybe we can get an explanation from the parliamentary secretary to the government House leader.

• (1300)

Mr. Cooper: Mr. Speaker, we do try to make every possible effort to answer those questions within 45 days. We often run into difficulties. One serious problem which we have faced has been the fact that some of the questions are addressed to all departments and it takes a great deal of time to co–ordinate that information.

Mr. Speaker, I would ask that you take under advisement Standing Order 39 (5) (b):

> If such a question remains unanswered at the expiration of the said period of forty–five days, the member who put the question may rise in the House under "*Questions on Order Paper*" and give notice that he or she intends to transfer the question and raise the subject–matter thereof on the adjournment of the House.

In other words, they can transfer it for debate. I would recommend in cases where we are not able to answer within 45 days that the House follow that procedure. That would be an easy way for all of us to make sure these questions are answered.

Mr. Riis: Mr. Speaker, I say to my hon. friend that in some cases that might be an appropriate way out. However, I have looked at some of these questions that are in excess of 70 days. They are not tricky.

Here is one that simply asks: "Has the government assumed any costs relating to the furnishing of 24 Sussex Drive?" This is not a tricky question. You simply go to Public Works or the appropriate department and ask. This has been sitting on the Order Paper for months and months.

The intent is not to embarrass the Prime Minister or the government, but simply to find out whether renovations have been made and, if so, what did it cost the government. This is not a complicated question. I cannot accept fully the explanation put forward by my hon. friend.

These are our Standing Orders. These are the rules and regulations that govern our behaviour. Every day the government consistently abandons the Standing Orders, ignores them. We either follow our Standing Orders or, as the government is doing, select which Standing Orders we want to follow.

The Acting Speaker (Mr. Paproski): It might be wise if the House leaders would discuss this further behind the curtains or among themselves at their management committee meetings or come into the Chamber and talk to the Speaker at his leisure.

Mr. Hawkes: Mr. Speaker, I will be very brief.

I was in the Chamber earlier this day when the member rose and presented two petitions to the House. In the presentation of the second petition, I would like to point out to the House, he did indeed break Standing Order 36(7) and very clearly so. If he wants the rules enforced, I would suggest he start with his own behaviour.

The Acting Speaker (Mr. Paproski): I do not think we should debate this any further. I understood that he was just about ready to finish as far as his particular petition was concerned. I do not think we should consider that any more.

Mr. Riis: Mr. Speaker, I rise on a very short point of order.

My hon. friend, the government Whip, has pointed out that I have not followed Standing Order 36(7). I might say that what I did was read my petition.

If the government Whip is saying that I am not allowed to read the words of my petitioners then this is a muzzling of democracy and I will not stand for it. If my petitioners who have collected the petition want me to present it, I am going to present it whether the government Whip wants me to or not.

The Acting Speaker (Mr. Paproski): I just want to bring to the attention of the hon. member for Kamloops that there is only 15 minutes allowed for the presentation of petitions. There were a lot of colleagues in his own party who wanted to get on too. That is why in future, when

there are about 10 members from his own party who have petitions to present, the Chair would appreciate it if he would sort of try to cut it down in order to get everybody on.

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Blais that Bill C–22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations; and the amendment of Mr. Rodriguez (p. 4192).

The Acting Speaker (Mr. Paproski): I wish to inform the House that, pursuant to Standing Order 33(2)(b), because of ministerial statements Government Orders will be extended by 29 minutes.

The hon. member for Stormont—Dundas has 17 minutes plus 10 minutes for questions and comments.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, I am pleased to be able to speak today on Bill C–22 to enact the Wage Claim Payment Act and to amend the present Bankruptcy Act.

With the in–depth review given Bill C–22 by the committee I hope the government will pay serious attention to the recommendations which have been put forward. During the committee's hearings and when the government first introduced the bill, it became apparent that there is a general consensus in Canada that the present Bankruptcy Act is in need of reform. The time has more than come for changes to be made.

It is very unfortunate that we are witnessing record bankruptcies in Canada today. A revised Bankruptcy Act is needed more than ever before. It is also important to remember that the Bankruptcy Act can do much to save a business or individual from actually going bankrupt just as it deals with the regulations governing the process of bankruptcy.

In today's tough economic climate it is obvious that the present act is indeed inadequate. A modernized Bankruptcy Act is required, one which offers every reasonable avenue to prevent bankruptcies.

[*Translation*]

Bill C–22 is but the seventh attempt in 16 years to reform the Bankruptcy Act. The current legislation, which dates back to 1949, should have been amended a long time ago. Bill C–22 proposes eight main changes dealing with: wage protection, commercial reorganization, consumer proposals, secured creditors and receivers, Crown claims and priorities, protection of unpaid suppliers and, finally, technical provisions.

[*English*]

In dealing with these eight principal areas of bankruptcy law, Bill C–22 avoids an attempt to overhaul the entire Bankruptcy Act. Such an endeavour has proven to be difficult in the past and is perhaps one reason why the act has remained without serious amendment for so long a period.

We are at a stage now, as I alluded to earlier, that far too many bankruptcies have occurred in Canada. High unemployment, the recession, inadequate government measures to stimulate the economy, high interest rates, the goods and services tax and even cross–border shopping have taken their toll on businesses, especially small business.

The phenomenal growth in business and personal bankruptcies, especially in Ontario, is a significant indicator of the tough economic climate prevailing in Canada today. The number of bankruptcies have indeed been high.

In addition, when a business closes it often sets off a chain reaction. Not only are there job losses as a result of a bankruptcy of that particular business, sometimes other jobs in businesses which had dealings with the original firm are put at risk. Therefore, I am pleased that the reorganization amendments to the Bankruptcy Act contained in Bill C–22 provide more time for a business to prepare a reorganization strategy rather than have it forced to close its doors for good.

[*Translation*]

Bill C–22 would amend part III of the Bankruptcy Act by adding new general provisions to give insolvent persons time to prepare and negotiate a reorganization

proposal and would allow for a stay of proceedings instituted by all creditors whether secured or unsecured.

[*English*]

In addition, Bill C-22 contains proposals to provide protection for unpaid suppliers. The bill will afford short-term creditors an increased level of protection that they do not possess under the existing act. The provision will however only apply to recently delivered goods. Suppliers of identifiable unprocessed and unpaid goods will be permitted to reclaim their merchandise within 30 days of delivery. The provisions relating to unpaid suppliers raises a question concerning farmers who at times find themselves with little recourse when purchasers who have taken possession of their product go bankrupt.

• (1310)

As the committee noted in its report, the protection offered to unpaid suppliers is of no benefit to those who supply perishable commodities. In most circumstances the nature of the produce requires quick processing such as for example in the case of meat and poultry products.

Obviously the processing of such products makes them ineligible for revindication as they are no longer considered as being in an unaltered state. Their perishable condition also means that their value is lost in a short time span.

In such cases suppliers would in fact be getting back a product that was worth less than it was when first delivered.

I therefore join the committee in its call that the government re-examine this flaw in the provision that protects unpaid suppliers. A reasonable measure must be implemented to give farmers and fishermen protection with regard to perishable commodities.

Bill C-22 also proposes to create a wage claim program. Direct compensation for unpaid wages will be provided to workers who lose their jobs due to the bankruptcy, receivership, or liquidation of the employer. At present employees only have a preferred status claim for three months of unpaid wages up to a maximum of $500 and $300 for sales persons' expenses. However, this does not include vacation pay.

Preferred status is of little value as the assets of a bankrupt employer is used first to pay secured creditors including government liens. Thus the current priority given to employee wages is clearly inadequate.

Clause 6 of Bill C-22 will however establish the amount of benefit at 90 per cent of an employee's unpaid wages, including vacation pay earned within the last six months up to a maximum of $2,000.

It also covers 90 per cent of a sales person's expenses unpaid during the same time period up to a maximum of $1,000. The program will not however cover severance or termination pay.

The fund is to be financed by a payroll tax on the employer. The amount paid per employee will be calculated by .024 per cent of insurable earnings and collected through the unemployment insurance system. It has been estimated that for average wage earnings this will amount to 10 cents per employee.

The tax is scheduled to be imposed January 1, 1992 whether or not Bill C-22 is passed.

There are several problems with the wage earners' protection fund that deserve consideration. The fund itself is not the most efficient possible. It also imposes another tax on tax weary employers, especially small businesses. The Liberal Party has recommended that workers should be given super priority for wages and vacation pay and that the maximum coverage should be $3,000.

To facilitate the immediate payment of wage claims the receiver would pay up to the maximum allowable with the Superintendent of Bankruptcy guaranteeing the amount and paid out of a fund to be financed by an across the board increase in the fees charged by the Superintendent of Bankruptcy.

The committee which pre-studied the bill has put forward a recommendation which supports the establishment of increased protection and compensation for employees of bankrupt employers.

[*Translation*]

The committee suggests that, in the event that a firm goes bankrupt, goes into receivership or liquidation, wage claims and amounts owed for business expenses up to $3,000 should have priority over any other claim,

including Crown claims. Such priority should be subject however to the right of the employer's unpaid suppliers to repossess goods.

[*English*]

The committee went on to recommend that where in a bankruptcy there are insufficient assets to cover an employee's total wage claim, the trustee should be able to claim any shortfall against a wage fund.

In the opinion of the committee, the fund should be administered by the Superintendent of Bankruptcy and financed from increases in the fees levied by the superintendent.

Most of the witnesses which appeared before the committee supported employees being able to receive some of their unpaid wages if the employer goes bankrupt. There was, however, severe reservations expressed as to how a wage protection fund should be financed. The Canadian Manufacturers' Association thought the fund should be financed out of general government revenues. This idea was previously put forward in 1980 and as recently as 1988 by the Department of Consumer and Corporate Affairs.

The department proposed that the fund should be financed out of general revenue rather than by employer-employee contributions. The department also proposed that the Superintendent of Bankruptcy should administer the fund instead of UI.

The Canadian Bankers' Association and the Canadian Chamber of Commerce believe the fund should be financed by a tax paid by employers and employees. Such a proposal had earlier been put forward in January 1986 by the Advisory Committee on Bankruptcy and Insolvency which is commonly referred to as the Colter committee.

Other witnesses such as the Canadian Federation of Labour suggested that funding should be the employers' responsibility. But this raises the argument that all employers should be made to pay into a fund which will pay the wages of employees of the disproportionately lower number of companies that go bankrupt.

Finally, the Canadian Federation of Independent Business categorically rejected the government's proposal in Bill C-22 to establish an employer only payroll tax to fund employee wage claims. The CFIB has consistently called for the super priority of employee wage claims in cases of bankruptcies or receiverships and that any such fund should have strict limits and be funded out of general revenues.

The CFIB has suggested however that should the government nonetheless introduce a fund financed by a payroll tax, it should at the very least be based on equal contributions by employers and employees.

Notwithstanding the various positions on the wage claim protection fund, there is a different way to protect unpaid wages of employees. Giving employees super priority status would permit them to have first claim on the assets of the bankrupt employer above all other creditors. The super priority concept could be a sound alternative to the wage claim fund.

I hope the government will give super priority due consideration. The committee recommended that employees should be given priority, but this would be subject to the right of unpaid suppliers to repossess their goods from the employer.

Bill C-22 is a substantial and complex bill which has as its objective the reform of very important components in the present Bankruptcy Act. I have touched on some of the more salient points of the bill. There are others and I know the bill will receive further examination before it receives third reading and eventual passage.

In conclusion, I hope that the concerns expressed by the witnesses who appeared during pre-study of Bill C-22, along with the comprehensive recommendations outlined in the committee's report will get serious consideration from the government.

I believe the inclusion of the committee's recommendations to Bill C-22 would be beneficial. There is no doubt that the present Bankruptcy Act requires reform and I hope we will soon see the necessary changes in place in the very near future.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I listened to my hon. colleague who also sits with me on the consumer and corporate affairs committee.

I am particularly pleased to hear him say that he supports super priority, the priority given to workers when companies go bankrupt, the precedence or super priority of these workers, as preferred creditors, to make claims.

• (1320)

The problem that we noticed a long time ago is that workers employed by a company that goes bankrupt, are the last to receive compensation. Statistics show that for every dollar the company owes its workers, they receive about five cents. This is unforgivable and unacceptable.

I was therefore pleased to hear my colleague on the Committee support the idea that workers should have super priority when a company goes bankrupt. I know that my colleague from the NDP, the hon. member for Nickel Belt, also supports this idea. I hope that the government in a non-partisan way will hear us NDP and Liberal members and everyone who worked on that committee.

I would like to say that I received comments from my constituents about the super priority for workers in bankruptcies. I would like to tell you about Jean-Sébastien Bélanger of Saint-Hilaire who asked why one always had to go to court, a costly and unnecessary process, when the government should shoulder its responsibilities. That is precisely what we ask today: that the government assume its responsibilities and for once give workers the right to recover the money owed them for which they worked.

I would like to ask my colleague a question on retroactivity. We talk about giving compensation to people who are affected, namely the workers, when a company goes bankrupt. However, many workers are affected but will not be able to get any compensation because that legislation has no retroactivity clause. If this is the case, a large number of workers who suffered from bankruptcies—after all, let's not forget that we are in a recession—will not be entitled to that wage protection.

Therefore, I would like to know my colleague's opinion on retroactivity, since this is an extremely important element if we are to make sure that there is justice not only for some but for all.

M. Kilger: Mr. Speaker, I want to thank my NDP colleague, the hon. member for Chambly, for his questions and comments.

On the matter of super priority, we in the Liberal Party want to work on building a better balance, and more specifically, we do not want another tax.

To get back to his second question, about whether to support this retroactive concept, I must say I would favour of this kind of formula because it would be fair. Consequently, and also because of the recession, which is largely what dictates the government's financial policies, perhaps it would be an opportunity for them—

[*English*]

If I might, to take the money out of general revenues, if you will, and to give Canadian workers that retroactive supplement suggested by the member for Chambly.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, the subject matter of this particular piece of legislation has been talked about from time to time through my entire 12 years in this Chamber. It began I think long before that.

The act that is currently in place was passed in 1949. Sometimes it is wise to reflect on what Canada looked like the last time a bankruptcy act was passed by this Chamber. It certainly was not the same country. We had just finished World War II and were entering a new phase of our existence. I do not know what the population was but it was certainly less than half of what it is today. The origins of the people of this country were very, very different.

I simply bring those facts to the attention of the House to indicate that it is time for a change.

I was elected to this Chamber in 1979 and the previous year I had started a small business, an office coffee business. It had grown to some reasonable size with six employees and 350 coffee machines and delivery trucks, telephones, stationery and coffee supplies and so on. I remember the nervousness my wife and I felt as we went to the bank and signed the appropriate documents to get the funding to be able to buy some of the required capital equipment in the first instance and then to fund the cash flow.

Cash flow is a foreign concept to people who have never had a business of their own. It concerns how fast your money is coming in and how fast your money is going out. If it is going out faster than it is coming in you have a negative cash flow. If it is coming in faster than it is going out you have a positive cash flow.

I remember the National Energy Program in 1981. In my community discretionary spending was cut to the bone by company after company in 30 days. As a consequence of that sudden, abrupt downturn in the economy there were suicides, spousal battering, and

increases in violent crimes. There was enormous stress and strain. The unemployment rate increased from less than 4 per cent to 11 or 12 per cent practically overnight in Calgary, Alberta. That was caused by a piece of public policy, the National Energy Program. It was a consequence which I do not think was intended by the government of the day. It was a consequence which the government of the day could have avoided if it had listened to some of us in opposition. However the bureaucracy's wisdom is frequently taken by governments to be better than that of members of this Chamber.

We make that mistake from time to time in our party, but less frequently, much less frequently.

Since 1985 one of the big achievements of this particular Parliament is the fact that we changed the rules for committees. Those of us who served prior to that time recognize the enormous difference that exists today in the functioning committees. Standing committees can in fact investigate things they decide to investigate, with resources to help them do it and witnesses.

We have a lot more witnesses in our legislative committees. With the latest changes made in May we are trying to force them to be a little more disciplined in their presentation and orient them toward the fine print of a particular bill.

The big achievement, which members who arrived subsequent to 1985 may not realize, is the fact that there is a genuine discussion on amendments which takes place. It is not simply with the minister, not simply with the bureaucracy, but with the members of the committee who have heard the witnesses and have listened to the testimony.

At the end of the day sometimes every single amendment is moved by all members of the committee. On other occasions there will be one member who is discrepant. On other occasions it will be government members versus opposition members, though that is not common.

I sat on the gun control committee recently, the first legislative committee I have been on in a while. The committee made 32 amendments to the bill and we split on one. The government and opposition split. People were nervous about the split because it essentially established democracy's control over the regulatory process. It said: "We shall hear witnesses on regulations under this act". Government members supported that. It was an amendment I personally felt strongly about. Opposition members were nervous about supporting it, I think for other sets of reasons, and did not in the final analysis. They voted against that amendment but somewhat reluctantly. They felt that the place of democracy in that process would be more positive than negative.

• (1330)

I will come back to the downturn in the economy of the city of Calgary and my struggling young business which at that time was a couple of years old. In 30 days we lost close to 40 per cent of our market. Prior to that downturn in the economy we were paying suppliers in 90 days and customers were paying us for our services in 30 days. Virtually overnight suppliers required payment from us in 30 days and our clients paid us in 90 days. We moved from a positive cash flow to a negative cash flow position, and with quite a few dollars involved you have no choice but to seek more funding in the middle of a downturn.

Thank heavens there were some assets. Our home was not heavily mortgaged and we were able to offer a lender some security of that kind, and we survived. Most of those 350 coffee machines I had out in the community were in small businesses. We would deliver them their coffee and put our machine in their firm to make their coffee.

Over 50 of them went bankrupt within six months, and the coffee we had advanced to them was gone with the receiver. The machines, which were never the property of the companies, were most often taken and simply disappeared. There I was on the other side of the fence as a small business person with nothing in law to enable me to get back my product, which still belonged to me because it had not been paid for, or to take back my machine, which was only on loan in the first place.

That is the domino effect of bankruptcy which this House, for the most part collectively, intends to change with this piece of legislation. It should be changed.

Listening to this debate, if there is any sort of disagreement with this bill it is probably an ideological difference between the New Democrats and my party, with some members of the Liberal party on either side of the fence. We believe you have to pay for something before you can

do it and the New Democrats seem to believe you can borrow the money and do it anyhow.

There is a provision in the bill that would take care of the expenditure for employees who lose out in a bankruptcy case through a kind of tithe on all the businesses in the country. That includes public sector businesses that do not go bankrupt as well as private sector businesses. It is really a piece of unemployment insurance, a small extension of that principle.

Members rightly, I think out of conviction, do not like the tax. However it is amazing how little you hear about the pay-out side. Nobody is complaining about giving money to people, nobody is disagreeing that those people deserve money, that they are the victims of a bankruptcy simply because they were working for the wrong employer at the wrong time. The complaining we hear is about raising the money.

We have had discussions about decorum in the House. There are a lot of deeply felt feelings about that because it relates to our image in the community as members of this institution, and it relates to the image of the institution in the public's mind. People are common sensical and when we do not act responsibly, when we do not examine both sides of an issue, the expenditure side and the income side, when we try to pretend that something is free or that it is okay to go on forever borrowing money, we lose credibility with them.

In our debates if all of us were more dedicated to the principle of being practical, having a difference of ideas but carrying an idea through to its conclusion—if you want to make a pay-out then you have to produce the income—and sharing with members of the House how that might best be done then I think our credibility in the community would increase because we would be seen more often as common sense people. If we showed respect for each other a little more often in the Chamber that would be intensified and positive for our kind of democracy.

I rose today to simply put a little bit of my own personal experience on the table. The provisions of this bill when it comes to the protection of all the small businesses out there which supply businesses that go bankrupt are very positive. The protection of the workers is very positive. The disagreement is from where the income shall come to take care of those employees.

I have faith that hard working members of this Chamber are willing to meet on the standing committee and consider the bill. I have faith they will come up with an amendment or two which will satisfy hopefully all corners of the House. All corners of the House believe in responsible legislation, that if you have to spend you have to raise, that going on with borrowed money is not an option.

If members on the opposition side believe that borrowing money is the way to go, then there will be a split on the committee as well. If they work collectively at the situation and devise something that will work a little better than what is in there now, I think they will find support from the government members. They may even find some leadership among government members. Government members are as concerned as other members of the Chamber about the practicality of one proposal over another.

What I do not like to see is the NDP amendment that we are debating right now which would stop the bankruptcy bill. Voting for that amendment would mean no bankruptcy bill. For my 12 years in this Chamber we have said collectively it needs to be changed. The NDP at the end of the line stands up in this Chamber and moves a motion that would kill the whole thing and keep the act the way it is. That is totally unacceptable to us.

I would hope maybe the NDP might rise in this Chamber later this day and ask for unanimous consent to withdraw the amendment. I would guarantee on behalf of this side of the House we would be pleased to go along with that suggestion.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, I welcome the input of the hon. member in the debate. I listened very carefully. I am pleased to report to him two things.

First of all, the committee process we have just gone through was a very complete process. We did not leave any ends untied, indeed we found many ends of the bill that were very much untied. We sought, with unanimity I might add of the committee, we unanimously agreed to what the flaws were and we unanimously agreed to what the solutions were.

The member was begging us almost to come to our senses, to come to some conclusion and think our thought process through. I want to report to him, first, that even members on his side thought the process through and thought better of the bill. As a result the committee in pre-study came up with 22 recommendations for change. One of the major recommendations deals with the wage earner protection fund.

The hon. member just mentioned that it is important for us to realize we cannot live on borrowed money. I could not agree with him more. If he reads the committee report or if he reads the *Hansard* from the committee deliberations, he will see what the committee has done, Liberal members, New Democratic members and Conservative members. It is that we recognize that fact and recognize that no, if we have a wage earner protection fund, the government, using borrowed funds will have to put $3.5 million into the fund. We said there must be a better way to do it.

Second, we did not think that small business in this country would support another tax no matter how small. We are concerned about consumer confidence and business confidence in the system.

We said there has to be a better way. The government's objectives are admirable and supportable. We do support the objectives. We came up with a proposal that is very detailed. We studied this thing inside out, upside down, every which way to Sunday, and we came in with a set of proposals that take the government off the hook. That means the government does not have to spend any money. We are doing the government a favour.

It has already been blamed for 32 taxes. We did not want it to be blamed for 33. The recommendations of the committee were to save the government from the embarrassment of another tax. In addition to that, we had a system in place whereby it should be self-financing through the superintendent's office.

Every position that we have put forward the department has had plenty of opportunity to come back and indicate to us that our logic is wrong. Not in one case has the department done that.

• (1340)

I want to let the hon. member know that we have done our job. We do not want to hold up progressive legislation, but at the same time this pre-study gave members of all sides of the House the ability without a noose around their neck from their respective Whips on policy positions.

That process has worked and what we have here is a good committee report and I would like to get his response. We urge the government not to take the easy way out which is to create a fund that is going to cost taxpayers money because the government has to contribute, but to look seriously at the amendments that their own members have put forward. It is a process that will work and it will show that the government has truly cared about saving small business from another tax and saving taxpayers from more taxes.

Mr. Hawkes: Mr. Speaker, I have heard the arguments about super priority, the magic way of funding without cost to anybody. My experience tells me there is always a cost to somebody.

There is a tendency when speaking of super priority to say we are going to take the money from the bankers, take it from these rich guys who loan the money. That is a great concept.

The hidden part of that is the little guy who cannot borrow the money in the first place to try and achieve his dream. That is the one who does not come as a witness before parliamentary committees. That is the one members are unlikely to know about and understand unless you have done it yourself, unless you have signed your family home and your family's future to a loan to borrow the money to start an enterprise, unless you have faced that sudden change from positive to negative cash flow and had to go back to lenders a second time.

If those lenders need to protect themselves on a 2 per cent basis, a 3 per cent, or 5 per cent or whatever in making the decision about your loan when they look at those financial statements in all of their glory and all of their detail and they need to build in that extra factor for super priority they will. When they do they will choke the lifetime dreams of thousands of Canadians who are every bit as small and every bit as deserving as the employees of the bankruptcy.

It is an illusion to think this money can come out of the hide of the lenders. The world does not work that way. The costs come out of the hide of the borrowers and the real cost of this is the person who never has a chance to

try his dream because he cannot get adequate financing in the first instance.

That is what is wrong with this proposal.

The Acting Speaker (Mr. Paproski): I would like to bring to the attention of the House that we are now under Standing Order 74. The maximum time for speeches is 10 minutes with no questions or comments. I will now recognize the hon. member for Lambton—Middlesex.

Hon. Ralph Ferguson (Lambton—Middlesex): Mr. Speaker, I rise to speak today on Bill C-22, the Bankruptcy Act.

I recognize, as my colleague who spoke before me pointed out, that the act allows unpaid suppliers to retrieve goods from bankruptcy within 30 days. However, there are two very serious catches. If a farmer for example cannot get his product back, if there is any added value for example a meat packer declares bankruptcy and the cattle have already been processed, he cannot get the meat back. If a vegetable crop has even gone through a washer which is part of the processing process, the farmer cannot get them back or get paid for them. Or if grain is delivered to an elevator and dumped into one of the silos along with other grain it cannot be identified as the farmer's particular grain so therefore he cannot get it back.

I would think that these areas do have to be corrected.

As I think back to the other forms of legislation that offered protection in parts of Canada quite a few years ago, I think of the Farmers' Creditors Arrangement Act. It provided for many of the same recourses but was far more specific in terms of extensions of time to allow a herd of cattle in a feedlot to mature to market weight or crops to ripen.

But it also had recourse so the farmer could have schemes or arrangements. They could make compositions in addition to the extension of time, and if necessary, renegotiate a mortgage. That legislation also reflects clause 11(1)(e) of the Farm Credit Act, which also states that the act gives the corporation the authority. Under that authority, the corporation may make schemes of arrangement, compositions, extensions of time or renegotiate mortgages.

I cannot understand for the life of me, with all the hardships in Canada today, whether it is the prairies or whether it is in central Canada or Atlantic Canada, why the Farm Credit Corporation is not using those provisions in the act to try to give some relief to those thousands of farmers across this country who are literally being forced off their farms in this financial crunch that has been brought about by the lack of attention of this government, first of all by the damage that is being done under the free trade agreement, and second, by the damage being done by export enhancement programs being used by our neighbours to the south of us.

Those export enhancement programs violate not only the spirit of the free trade agreement but also the free trade agreement itself, which is very specific and says that neither country will subsidize exports into markets of the other nation.

This government has not even called for consultations under chapter 18 of the free trade agreement, nor has it asked for compensation. So here we have a government that has ignored what is happening to us on the world markets, ignored the violations of the free trade agreement that are taking place, and have not even asked for consultations or compensation to help those farmers that are being forced off the land, and for not using the act as provided under the provisions of that act specifically chapter 11(1)(e) of the Farm Credit Act.

I also want to point out that there are other areas of grave concern to me and that is what is happening in our economy. Just yesterday I had some frantic telephone calls asking for help. "What can you do to help us, as small business people, who have ploughed our lifetime savings into not just a small business enterprise, but a business enterprise designed to renew the vitality and the growth of a small town?"

These young entrepreneurs in my constituency, in the township of Sombra, spent their savings which they had accumulated over many years to buy up the old stores and to renovate them. They made it into a tourist town. It is on the St. Clair River, with a ferry operation across to the state of Michigan, just a few miles from the city of Detroit in the heart of a potential tourist area of several million people. They spent their lifetime savings putting all of this together, restoring those old stores, having tenants come in who set up boutiques and gift shops, restaurants, all sorts of attractions.

As they opened these up, the businesses took off and prospered. But then we had a downturn in the economy. We know what went into effect on January 1, 1989. These real Canadian entrepreneurs who were attempting to attract American tourists to Canada and working for the last six years on this tourist development are the kind of business people the government claims it wants to help. It spent $1.2 million on a competitiveness study by an American it could have purchased the same at a book store for $40. They are going to spend tens of millions of dollars to study our Canadian economy, but they do not want to hear about free trade and the impact of that, the GST or the Canadian and U.S. interest rate spread or the high dollar.

• (1350)

These tourism operators could explain to the government what is happening without the cost of this $1.2 million. Yesterday, they had a notice of eviction delivered to them signed by the sheriff of Lambton County. I have a copy of it right here. It gave them just a few days to vacate.

This afternoon I had a note delivered to me in the House by the tenants of some of those stores who have thriving businesses who also have to vacate. The notices were delivered by the sheriff on behalf of the Federal Business Development Bank, which is willing to force them out of these facilities and close down the businesses these tenants are operating. It is completely unacceptable.

I have to ask, what will this act do in a case like this where these tenants have invested their lifetime savings in making these businesses go, competing against the free trade agreement and the GST and the high Canadian dollar, but are surviving and prospering and had their merchandise in place for the Christmas rush.

This is unacceptable. I ask this House to stop and take another look at this bill, the Bankruptcy Act, and tell us how it is going to help these tenants. How is it going to help these entrepreneurs who are being forced out just at the start of the Christmas rush, when they have put their lifetime savings into building up these businesses that are attracting tourists to Canada and then having the rug pulled out from under them by the government of this nation and the policies it put in place.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I want to say a few words on Bill C-22. At the outset I want to commend the minister and the committee for the pre-study it did on Bill C-22. I think it was a wise move on the part of the minister, and of course there was some excellent work done by the members of the committee. They are all to be commended.

The fact that the minister accepted, I believe, 16 of the 22 amendments they suggested to the bill is an indication of how much he thought of their work.

In the limited time available to me I want to talk a little bit about super priority. I wonder if many members realize where this all began. We had a previous bill before us on bankruptcy. I believe it was in the early 1980s. The minister I believe was the Hon. Judy Erola. The bill was before committee and it was sort of flip-flopping through the House. There was not too much attention being paid to it. All of sudden Maislin Transport in Quebec went bankrupt.

Members familiar with the transport industry will know the name Maislin, an over the road company. It had bought into a transport company in the United States and as a result of that investment and some other difficult times, it found itself faced with bankruptcy.

The employees of that company had cheques bounce all over Montreal and the various communities where they had their depots. At that time the minister brought in super priority. She suggested a $3,S000 per employee super priority. We asked her at the time where she got the $3,000 figure. At that time the average wage in a bankruptcy across Canada was $250. Why the $3,000? She said that was the semi-monthly wage of a machinery salesman. I could not see the connection. I don't know how many machinery salesmen there are in Canada as opposed to transport truck drivers and numerous other employees, but that is the origin of super priority.

There were other developments as a result of the super priority. The banks felt endangered to some degree. Looking at super priority, my own personal preference would be this 10 cents per employee per week. I think that is the least cost involved and I think

the administration of it, putting it through the unemployment insurance fund would be the best way to do it. I cannot agree to put another charge against the general revenue fund. We are, in fact, saying that all Canadians who contribute to the general revenue fund through taxes and tariffs and so forth should indemnify the wages owed by an employer to an employee. I cannot agree with that at all.

I want to talk a little bit more about what happens to a business when it goes under. I have run a business, and fortunately I was never bankrupt, but I was a creditor in a number of bankruptcies and I know what you go through as a creditor.

Why do businesses go bankrupt? If you analyse bankruptcies, you find in most cases that the reason the business went bankrupt was it just did not have enough money invested. There is no crime against that. If you look at business start-ups, business start-ups usually are in boom times. "Let's go in business for ourselves, the market is there, profit is available and product is available; let us go into business". You put the minimum amount possible into your business, never thinking you are going to have a downturn, and away you go. Some of them grow very rapidly, and if the market turns down they are in jeopardy. It is classical.

I had a look at this bill and I see that they are going to give people who supply merchandise to somebody who eventually goes bankrupt 30 days to retrieve that merchandise. I think that is a great move. I think that is a very positive thing in the bankruptcy. Nobody will find this written anywhere, but there is a feeling out there among people who are creditors in bankruptcies that there is an effort if you are going to go bankrupt to load up your inventory. If you are going to go bankrupt and you know it, load up your inventory so there will be more that can be sold to satisfy whatever creditors there are.

I had an experience in my own business, and it was a typical business arrangement, where sales were down for the quarter that we were operating in. One of my salesmen came in with a sizeable order but we looked at the name of the customer and we said "Wait a minute, we got some bad vibes about this fellow, we heard that he was kind of shaky". We did the normal checks through the banks and Dun and Bradstreet and other credit reporting agencies and they said that, yes, while he was having some cash flow difficulties he did seem to be well enough financed and he probably would be able to survive this. On the basis of that we went ahead and shipped the merchandise to him. Within seven days we heard that they were going to put a padlock on the door. Unbeknownst to me, the salesman who had arranged the sale went back to the gentleman who was going to go bankrupt and asked him if we could borrow back this merchandise because we had a large order to ship and we had to ship it by the end of the month—none of which was true—and could we have the merchandise back so we could complete this order. They gave us the merchandise back. We took it to our shop and we sold it. The company then went into bankruptcy and the receiver in bankruptcy called me on the phone and he said: "You owe us a bunch of merchandise here, you took merchandise from our inventory and we either want the merchandise replaced or we want you to pay for it".

• (1400)

I said: "We are not going to do that. You cannot expect me to deliver back to you merchandise from which you are going to give me 10 cents on the dollar." He said: "I will take you to court". I said: "Be my guest. I do not think there is a court in the country that would agree with you". Fortunately, by just hanging tough, we got away with it, but there are a lot of other people who did not get away with it. That is one of the tragedies in bankruptcy. Those are the people who, as a result of someone else going bankrupt, are thrown in jeopardy themselves.

What I like about this bill is that it is a package. It says we have done pre-study, we have accepted some amendments, we have this business of taking care of up to 90 per cent of the employees' wages by a 10 cent per employee per week plan. I think that is the least costly of all the plans. We have virtually a chapter 11, as they call it in the United States bankruptcy, a provision to allow the company to restructure over a short period of time. We also have this business of super priority and the general revenue fund to adjudicate, I guess, when we get to committee.

I think the over-all package is good. I hope we get to the legislative committee shortly. I would like to see this bill through and operating in the shortest possible period of time. I think that if we can get it into operation it is going to help a lot of people.

I am aware that some people have spoken against John Bullock of the Canadian Federation of Independent Business. They have spoken against the 10 cent a week

per employee. He apparently prefers the super priority. I am afraid of the super priority because I believe that is going to inhibit the ability of small business to borrow from banks. I do not want to do that in any way, shape or form having said that lack of capital and lack of a line of credit is the main reason why businesses go under.

With those few remarks, I will pass the baton on to someone else.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I would like to begin here by mentioning, perhaps for a third time in this House, that this proposed bill is not going to make it difficult for small business to get loans.

I worked on this committee, I worked on this bill and I would like to illuminate the hon. member with some additional information he may not have that came from business. I am specifically speaking about the Quebec Contractors Association. These people came before us and said: "Look, in Quebec we have to deal with super priority. That means that the workers are first in line and whenever there is a bankruptcy they get their money first". That is what we are asking for here in this bill. I asked the representative: "Well, what does that do for the banks and the caisses populaires and all those other lending institutions?" They said: "You know, it is funny. We not only have that, but we also have a tax or a lien in the construction in Quebec. Do you know what? The banks are not kicking". It has worked out pretty well. It has worked out for not quite several decades, but at least, I believe, since 1980.

I was surprised because I have heard the government say: "If we let workers have what they are due, the small businesses will never be able to get loans". That is not true at all. I think that we have to set the record straight.

I should add, by the way, that I do not think we should add another tax. My party does not believe that we should add another tax. Canadians are fed up with the taxes that we have had already. My party is fed up with the taxes that we have had already. We would like to see a more creative solution. We think that there is one. That creative solution is for the government not to spend the very little money that we already have on science projects. These are of little value in western Canada and British Columbia. Even our national scientists have said there is no reason to spend this $250 million. This $60 million or $70 million that we are asking for to protect workers could be coming out of general revenues if the government would learn not to spend money foolishly. That is what it is doing. We are having a $400,000 travelling committee to learn about prosperity.

We are having a great deal of money being spent on committees. We are having a great deal of money being spent on things which most Canadians would feel are superfluous. We are asking in this bill for approximately $60 million to $70 million. That money, as it has been expressed here, would come out of a tax. It must not come out of a tax, even if that tax is going to be 5 or 10 cents per worker. There is no such thing as a free lunch. We have said that. The Conservatives used to say that before they were in government. Now they pretend there is a free lunch.

It is not a free lunch and those people who need this money should not be taxed. Businesses should not have to pay the tax. What should occur, as I said before, is that this should come out of general revenues. There is money there for it if the government would just quit wasting the little precious money it has left.

The important thing to remember is that the people who are in bankrupt situations, the workers, must get their money right away. If they have priority, even before the government, these people will have a greater chance of getting their money than ever before.

I rise to speak on this Bill C–22 mainly because I am afraid that the government, as much as it pretends that it wishes to help workers involved in bankruptcies, does not really intend to take the committee's recommendations on super priority and revenues coming in order to protect the money that they will get from general revenues. I believe that this government is going to want to bulldoze through another tax, the 33rd tax that it has passed since it has been the government.

I will not accept that, and neither will Canadians. The members of all parties in that committee, Conservatives, NDP, Liberals, have actually presented some sound suggestions that the government can use in order to deal with this very difficult situation.

[*Translation*]

I am surprised to see that this government will not listen to the sensible suggestions made by its own members on the consumer and corporate affairs committee. A consensus was reached by the New Democratic Party, the Conservatives and the Liberals on requesting that a worker trapped in a situation where his company goes bankrupt be considered a secured creditor, in which case the money owed him, between $2,000 and $3,000, can be paid.

I know my constituents do not want another tax. So we must not levy another tax to set up a fund to help workers trapped in a bankruptcy situation. It would be better to take this money from existing funds. The federal government has plenty of money, but unfortunately, the government tends to waste it.

One of my constituents, Mr. André Dubois of Saint-Bruno, who is fed up with the GST, wrote me as follows: "Politicians in general don't work for us but for their own personal glory, and they don't care about the well-being of Canadians. All programs are launched on a short-term basis. What we need is the will to change our political perspective and our political traditions. Programs, goals and promises should no longer be changed after each election".

• (1410)

The Canadian public wants some common sense from this government. Instead of more taxes, it wants the government to spend smarter. No more spending right and left on plane trips that may or may not have been necessary. No more wasting money on those big limousines you like to use because you happen to be in government. No more spending money on your friends in the advertising business who expect a reward for supporting you in the last election. All this has to stop. The time has come to spend money on our workers, to give them more protection. I believe that if you would only realize that, Canadians would be far better protected than they are at the present time.

[*English*]

In conclusion, I would just like to add that a lot of people out there are involved in these bankruptcies as workers and they realize that presently they have no protection, or very limited protection at best.

I have pleaded for retroactivity in this Bill C-22 because it is important that there be protection for those people who went through the recession and who represent the largest group concerned. If we pass this bill without retroactivity, they will be left high and dry. We must not allow that to happen.

I spoke with the government Whip and I explained why this was necessary. I told him that it does not appear that super priority or retroactivity will cause the banks any harm. I believe that essentially what we are looking for is protection for Canadian workers. I believe that with a minimum of good will from the other side of this House we can work together as we did in committee and protect all workers.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I welcome the opportunity to say a few words on this important piece of legislation.

I want to begin by congratulating my friend and colleague, the hon. member for Dartmouth, on the masterful way in which he has directed our party's analysis and response to this legislation which touches a very complex and difficult set of issues. It affects in a profound way the conduct of business everywhere in Canada. As he has done on so many subjects since being elected to this Chamber, the member for Dartmouth has tackled this bill with enthusiasm, skill and with sure-footedness.

The reform of Canada's bankruptcy laws is long overdue. Our current Bankruptcy Act dates back to 1949. In the face of the manifold changes that have occurred in the Canadian economy and in the business environment in the past 42 years, the provisions in this legislation are increasingly anachronistic and woefully out of date.

These years have witnessed a growing library of departmental reviews and parliamentary studies and at least six failed attempts at legislation. Clearly all members of this house share the desire to see this legislative attempt succeed.

We applaud the government on having introduced this bill and also on having submitted it to pre-study before second reading. We think that was an eminently worthwhile thing to do.

The member for Dartmouth and other members on this side of the House have worked assiduously to enable the bill to be improved.

While we support the government's introduction of this legislation, it does not mean that we should accept anything the government puts before the House. It does not mean that we should suspend our responsibility to scrutinize and evaluate critically both the broad principles and the detailed provisions of the bill. Nor does it mean that this government will get a blank cheque on this legislation.

Nevertheless, while we will be diligent in our questioning and in our examination of the bill, our intention which we assume the government shares is to secure workable, fair bankruptcy legislation, legislation which provides balanced and adequate protection to creditors and debtors and creates a stable climate for entrepreneurship and investment. That is what my colleague, the hon. member for Dartmouth, has done so well in his interventions at the pre-study stage of this bill and in his remarks earlier this week on second reading.

His approach has been to examine Bill C-22 bearing in mind not only the need to balance the competing and conflicting interests of the various direct participants in a bankruptcy, that is to say the debtor and the various creditors, but also bearing in mind society's broader interests, namely ensuring that the bankruptcy rules do not adversely affect the climate for business investment, risk taking, job creation and the incentives for the prudent management of business enterprises; the need of the worker to a fair settlement and recovery of wages lost as a result of a failure of a business enterprise; the interest of society in supporting reorganization where it may avert a costly bankruptcy without creating a cushion for sloppy management or preventing the difficult but sometimes necessary adjustment role that bankruptcy performs in a dynamic, modern, free market economy; and, finally, the strong opposition which all of us in this House have heard loud and clear from our constituents, the opposition to any addition to the already unacceptable burden of taxation which Canadians are obliged to pay.

It is this last consideration which has led us on this side of the House to take issue with the government's proposed design of the Wage Claim Payment Act, one of the central components of Bill C-22. With the Wage Claim Payment Act, the government proposed a scheme to ensure that the employees of a company thrust into bankruptcy or placed in receivership are reimbursed for salary or commission not paid by the bankrupt company.

Under clause 6 of Bill C-22, this payment would apply to unpaid wages and vacation pay as well as sales persons' expenses during the six-month period prior to the bankruptcy and up to a maximum of $2,000 or $1,000 in the case of sales persons' expenses.

In order to claim the benefit, an individual would have to submit a claim to the trustee, liquidator or receiver who would in turn submit it to the Superintendent of Bankruptcy for verification. The payment of these claims would not come, as in the case for example of the claims of the other creditors, from the disposal of the assets of the bankrupt company but would come from a fund financed by a new payroll tax on all employers, a tax equal to .24 per cent of the employer's weekly insurable earnings.

This is where we are in fundamental disagreement with the minister's proposal. Not only does this new tax constitute an additional burden on the employer and a burden which is directly related to employment, but I would submit it represents an inconsistent way of treating the outstanding claims by workers to the value of the debtor company. All other creditors receive their claims from the value of the disposed assets of the company. In this case workers are treated differently. They will be asked to receive their claims out of a fund raised by taxing all employers, in other words all businesses regardless of whether those businesses went bankrupt or not, in order to pay the workers' unpaid wages in the event of a bankruptcy.

We on this side of the House have suggested a different approach. We have suggested that the payment of wage claims be made up by the receiver to a legislated maximum of $3,000 with the amount guaranteed by the Superintendent of Bankruptcy and paid out of a fund financed by an across the board increase in the fees charged by the Superintendent of Bankruptcy.

• (1420)

The Superintendent of Bankruptcy would charge an additional fee out of the fee he charges on the assets of the bankrupt company in order to finance the payment of the unpaid wages and related expenses going to the workers of the company. It would be the company's assets, the bankrupt company's assets, from which the

fund would be drawn in order to meet this creditor claim on the bankrupt company.

Second, we have suggested that unpaid wages have a super priority. In other words, this claim should be the first claim addressed by the creditors in disposing the assets of the bankrupt company. Super priority would mean that when the bankrupt company's assets are disposed of under the supervision of the Superintendent of Bankruptcy, it would be the workers' unpaid wages as defined more or less in the bill that would be dealt with first, ahead of the other categories of creditors.

There has been some question by government members on this concept of super priority. Apparently they believe that acceptance of the super priority concept would create a credit crunch, would impede investment and would make it more difficult for small businesses to receive loans from the banks.

We should bear in mind—and this is where I will conclude—that businesses go bankrupt as 56,000 businesses did in Canada this year. Regardless of what the cause of the bankruptcy is, and it may have nothing to do with the soundness of the business but simply the economic conditions like the recession caused by this government, when a business goes bankrupt and there are several categories of creditors there is always one creditor that gets super priority. In Canada the creditor which has been given super priority in the past has been the banks.

We believe on this side of the House that it is time. It is eminently fair for another category of creditor, namely workers and their families who are left high and dry by the fact that their source of income has eroded and there is no backup in many cases, to have chance to receive what small payment is due them from the company in which they have invested time and labour. Rather than give this credit priority to the banks, we suggest super priority should go to the workers.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am glad to have a chance to speak on Bill C-22 because it is a very important bill. It is important at any time and in any place, but certainly never more than in the current economic difficulties facing our country with thousands of businesses going bankrupt and requiring reorganizations of varying sizes. For instance, the Algoma Steel situation will see over 6,000 workers facing the threat of a company becoming totally insolvent. At the present time the company would have to go through the old Companies' Creditors Arrangement Act which of course is very out of date. This legislation would terminate that bill after three years.

What I want to talk about this afternoon, besides the impact on small and large business of not having adequate bankruptcy legislation, is the impact of reorganization as it affects Canadian farmers.

In 1984 the Bankruptcy Act was before Parliament and at that stage amendments were brought in to assist farmers in reorganizing the debt. Unfortunately that bill died on the Order Paper. The opposition of the day, which is the government of today, did not expedite that legislation as many pieces of legislation were being expedited in June 1984.

The whole situation of course since 1984, since the current government has been in power, has been one of tragic difficulties for Canadian agriculture. It has really been a tragic comedy of errors. The Minister of Agriculture imposed a moratorium on farm foreclosures under the FCC and then did nothing about it for 18 or 24 months in terms of bringing in debt restructuring mechanisms.

Finally Farm Debt Review Boards were brought into play, and some months after that process was put in place the government finally brought in the farm debt review board fund to carry out rescheduling of farm debt carried by the Farm Credit Corporation.

Farm Debt Review Boards have had some value I believe in mediating disputes between creditors and farmers, but the report that was put out by the Standing Committee on Agriculture really was quite critical of the way they have handled the work. It talked about the confusion in the role of the boards. Some boards operate on the basis that they are advocates for the farmers. Others simply put it through as mediators. It talked about the process and the delay of resolving the problems, the lack of expertise in financial analysis, the incomplete and poorly prepared financial information and the problems that exist in relationship to the sharing of information between the various stakeholders in farm debt. It talked about approaches that are inconsistent across the various provinces and about there not being

enough follow-up after agreements have been reached. It went on and on and on.

The reason I speak this afternoon is that the agriculture committee in 1988 put forward a number of recommendations to deal with the operation of the Farm Debt Review Boards. One recommendation really stands out and that is recommendation No. 6 under section 3 of the farm debt review board report which reads:

> To correct these difficulties the committee recommends that the federal government institute the following: a procedure whereby the Farm Debt Review Board, in each case where no agreement is reached, shall make available to the farmer a report outlining their recommendation.

The reason I proposed that to the committee—and it was accepted by the committee—is that I foresaw new bankruptcy legislation in the future modelled after that in the United States which under chapter 11 in the United States provided for companies, proprietorships or in this case farmers provisions for reorganization of debt.

Although when this legislation first came out it was reported to be non-applicable to farmers, it is my understanding that legal officers of the House who were advising the committee said clearly that it applied equally to farmers, small businesses and other individuals seeking reorganization.

As I see the legislation, if this proposal in the agriculture committee of the House of Commons were adopted and the government were to put in place a procedure where Farm Debt Review Boards issued a report to each farmer where no agreement was reached under the farm debt review board procedure, the farmer would be free to apply to the Superintendent of Bankruptcy for a reorganization. He would go before the court and be able to ask for a reorganization. He would be armed with the report of the farm debt review board committee. Where that report suggested that if all the creditors had been willing to take a write down of 25 per cent or whatever, the creditors would get more that way than they would by simply foreclosing and selling off the assets.

• (1430)

As I understand the bill that is before us, there would be a vote of the creditors. Where two-thirds of the creditors agreed with that recommendation, the restructuring or reorganization would take place, whatever that restructuring was, whether it was to extend longer periods of time or rescheduling of debt or reorganization. In any event, that is the kind of thing that takes place under the existing Companies' Creditors Arrangement Act. Only this act would apply to all creditors, including farmers.

I think the legislation can be very beneficial and can work in harmony with the existing farm debt review boards, provided the government requires them to issue the report which I suggested this afternoon. I will be very interested in what happens in the committee hearings. Perhaps this proposal which I have outlined can be considered by the committee just to see whether there has to be some technical arrangements made in the way this new Bankruptcy Act will work, especially as it applies to company, corporate and individual reorganizations.

In the last two weeks I have attended two farm rallies, one in Regina last Thursday, where over 7,500 farmers attended, rallying to protest this government's cutback of support programs in the 1990 year, rallying to protest that a government would be so insensitive, almost insane we could say, that it would cut support programs by 40 per cent in a year when commodities, grain, wheat, oats, barley, are dropping by 30 per cent on world markets.

They are not rallying because they like to take a day off and go to Regina from all over that province and across Manitoba and Alberta as well. They are rallying because they cannot make it. Many of them are going to face reorganization, bankruptcy, foreclosures and so on. Today and every day two farmers in Saskatchewan walk off the land.

I believe that the procedure that I have outlined here today combined with this new legislation could be very helpful in carrying out those reorganizations and assisting where the government has failed over the past year or two in its reorganization programs, in its support programs to farmers.

I hope that this legislation ultimately will be passed, taking into account those very worth while, very capable recommendations of the hon. member for Dartmouth. He has really brought a lot to—

The Acting Speaker (Mr. Paproski): The hon. member for Essex—Windsor on debate.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I think it is important for us first to see just how

serious the whole question of bankruptcy in this country has become. We have across this country in the past year seen over 13,000 firms which have gone bankrupt. We have seen close to 60,000 consumers who have gone bankrupt. We are talking about something which has cut a wicked swath right across small business, and not just the small business community in this country. It has hurt people badly.

We in this party have been calling for this kind of legislation for months. It has taken the government a long time to come forward. I have to congratulate it on finally having the courage to bring to the House of Commons a piece of legislation to change the Bankruptcy Act.

The previous Liberal government which faced an even worse recession did not even bring forward a piece of legislation to improve the Bankruptcy Act. I say that is to their shame.

As I think about this act, I think about some of the people in my constituency. I think of the people at Brant Castings, for instance. Brant Castings was a firm which was originally established by Birla Corporation of India, a firm which brought a great many employees into the operation and a firm which was quite successful for a period of time. That firm, however, after several sales, ultimately went bankrupt. It went bankrupt leaving workers in the lurch.

That is for us at the very heart of the problem of bankruptcy. The workers that I represent who worked at Brant Castings have not been able to get their vacation pay. They have not been able to get their severance pay. They have not even been able to get, in some cases, wages which were owing to them from Brant Castings, this despite the fact that the owners of Brant Castings continued to operate other enterprises in our community which are viable, which have all sorts of assets and are making a great deal of money for those owners. There is something about that which is terribly unfair.

I think of the workers I talked with just last week from GTL, Glengarry Transport Limited, which went bankrupt. Workers in my city, truck drivers who sat around the table in the teamsters headquarters talking with me, told me about the thousands of dollars in back pay, in severance pay and vacation pay which they were not going to receive because GTL had chosen to go bankrupt.

In the case of some of these trucking firms that have gone bankrupt it has been even more scandalous. Some of these firms had first established operations in the United States in order to be able to take over the business of their operations in Canada when the Canadian operations were permitted to go down the tubes.

Surely that kind of reality is something that should not be possible in this country.

It has not just been industrial workers or truck drivers. Farmers have come to talk to me about being forced into bankruptcy in my constituency. Throughout Essex County the rate of bankruptcy for farmers has increased dramatically in the last few years. The debt review board which was established by the federal government, as many of these farmers see it, has not become a defence for the farmer but instead a defence for the financial institution at the expense of the farmer.

• (1440)

This legislation in front of us is certainly a response, and I say a serious response, to some of these problems. I do not think it is a sufficient response but it is an important step forward, something which we have called for and which we are pleased to see in front of us. The approach which is being taken has two very good things within it. The first is a respect for companies and an attempt to keep them, to give them breathing space so that they can continue as viable institutions. The second is the establishment of a wage protection fund. These are both very positive steps.

There are however three serious problems with the legislation as it presently stands, and I hope these will be addressed in committee. The first is the amount of support which workers can receive from the wage protection fund. In my view the $3,000, divided $2,000 and $1,000, is too low a level. The province of Ontario, which has just established a wage protection fund, has set the level at $5,000 and has also established much more funding than is being proposed with respect to this particular wage protection fund.

Second, it is very important that this government look very carefully at the question of super priority. I hope that people will approach it on the committee as they approached it in the pre-study, on an non-ideological

basis, with an open mind. I hope the government will accept amendments which suggest the super priority approach is something that deserves emphasis.

Finally, to be very blunt, to suggest to small businesses, medium businesses, and public sector institutions which are already being squeezed right across this country that they should have to pay the whole cost of this wage protection fund is frankly irresponsible. It has been opposed by the Canadian Federation of Independent Business and by many other business groups and public sector groups. It is not an approach which any government should be taking, given how weak our economic recovery is. I hope that there will be a rethinking of these three points at the committee stage.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I am pleased to be able to make a few comments on this particular bill because I think it is more than opportune that at a time when we are seeing record bankruptcies in this country we are discussing a new approach to bankruptcy legislation. In fact the legislation that we have on the books now was passed in 1949, which was the year after I was born. Certainly the economy in many ways has changed as much as I have in the time since then.

I would also like to point out that within my own province of Saskatchewan this is a very critical question because the rate of bankruptcies has been mounting dramatically over the years. The figures I have before me show that the last year the Blakeney government was in office, 1981, there were 167 business bankruptcies in the province of Saskatchewan. By the time the federal government opposite was elected in 1984 there were 309 business bankruptcies. By 1989, the last complete year for figures which I have, there were 556 business bankruptcies. That is about a fourfold increase since 1981 in business bankruptcies in the province of Saskatchewan. That is an outrageous record. This is a timely piece of legislation.

As well I want to compliment the people involved in the pre-study process. I think the members of the committee who undertook that are justly proud of the work they did. We have much stronger legislation as a result of this. I hope that at the further committee stage, following second reading of this bill, further improvements could be made.

There are three specific areas that I would however like to comment on which need to be revisited and need some serious amendment. The first deals with the whole question of how this bill relates to agriculture producers and farmers in this country.

The farm community, as we all know, is under perhaps the greatest stress that it has been under since the 1930s. In fact it might well be under the greatest stress that the family farm community has ever been under. Certainly if we want to protect the family farm sector in this country, if we want security of food supply, if we want to be a sovereign country when it comes to feeding ourselves, we have to be more than cognizant about the situation facing farmers and we have to be proactive about it.

As previous members have mentioned there have been rallies attracting as many as 7,500 people in Regina, 4,000 people in Rosetown, and in Spirit River and Winnipeg that have underlined the point that the farm community is in desperate straits and that many of these people are facing imminent bankruptcy.

There are a few aspects of this bill that need to be addressed when it comes to giving farmers some support in bankruptcy situations. I am not now speaking about their own bankruptcy but rather their interaction with businesses that go bankrupt. Certainly the farm community has been making representations to governments for a long period of time. When I read the transcript of the presentations that were made in the pre-study process it was evident that the farm leadership in this country is getting more than impatient with the lack of action which has been taken.

One of the problems is that while there is a recognition in this bill that there is a 30-day period of retrieval for suppliers of a good or somebody whose products are involved with a bankrupt company, this is basically meaningless in the case of most agriculture products. How do you separate your kernel of wheat from your neighbour's kernel of wheat? How do you separate one tomato from another or one apple from another? Even in the case of livestock it is often very difficult to sort a specific animal from another once they have been through the sales process.

For many producers the deliveries they have made to a company that has gone bankrupt represent the whole year's income, a whole year's production for that farmer. Therefore, if the company goes bankrupt the whole year's income is wiped out. That is something that I do

not think is recognized in this bill which I think we need to address specifically.

There are a few aspects to that which bear looking at. One is that there has to be a new look at how super priority applies to farmers. Second, I think there needs to be a special fund which farmers can draw on given the impossibility of identifying an individual farmer's production from other farmers' production of many commodities in the case of a bankrupt company.

Third, and I think most important, we have to stop the erosion of the orderly marketing process because the marketing boards, the Canadian Wheat Board and other similar institutions do not go bankrupt. They pay farmers in cash and on time, and offer a secure market for farm products that does not leave farmers vulnerable to the vagaries of small companies and fly-by-night operators and others who might go bankrupt.

I think the whole trend we have seen away from orderly marketing is one of the things that has made farmers much more vulnerable to the whole process of bankruptcy than they otherwise need to be.

• (1450)

The second criticism I have of this legislation is one which was pointed out to me by the Saskatchewan School Trustees Association. It pointed out in a letter that the proposed legislation would cost education in Saskatchewan some $130,000 to $150,000 per year at its current levels. Certainly that is a large sum of money for school boards which are struggling in the current economic environment to absorb.

School-boards have been placed under increasing pressure through a number of processes. Obviously the whole process of downloading from the federal government to the provincial government to the local government has resulted in a situation where education and other public services, like municipal government services and hospital boards, are much more dependent on the local tax base and local taxpayers than they otherwise would have been.

Given the fact that those taxpayers and tax bases are being squeezed extremely tight at this time, it seems inappropriate to me for us to be contemplating legislation that loads a new cost on to those publicly funded bodies.

It also is inappropriate to load this cost on those kinds of bodies because there is not even the remotest possibility of those bodies ever going bankrupt. These employers are forced to bear a cost for a situation which will never apply to their employees. A school-board has never gone bankrupt in this country, nor has a hospital board, nor have provincial governments, nor have federal governments, though they might if the present trends continue. If these government bodies go bankrupt everyone else will have gone bankrupt first.

It really is quite academic to contemplate a situation where these bodies would go bankrupt. It seems inappropriate to be applying this tax to those bodies.

It is inappropriate to fund the wage protection fund through an increased level of taxation. As other speakers have pointed out this would represent the 33rd increase in new taxes by this government since its election in 1984. The business community and consumers are saying: "Enough is enough when it comes to taxation".

Grant Devine found that out in Saskatchewan. He had just introduced a provincial sales tax harmonized with the GST to the citizens of Saskatchewan. Not only was he rejected by the consumers of the province but his actions were decisively rejected by the business community of that province as well.

Not only is it inappropriate in a time of recession and tough times for business to load on another tax but if this government has any regard for its political future it should be looking very closely at how much the consumers and the business community will bear when it comes to new taxes. The government should take a new look at how this is funded and ensure that it is funded out of general revenues as it should be.

Mr. Hawkes: Mr. Speaker, I am sorry to interrupt for just a second. Earlier today the member for Kamloops rose and raised an issue of conduct in the House. At that time I indicated that I thought he should look at his own behaviour in terms of Standing Order 36(7). That was followed by an intervention from the member indicating that he had done nothing wrong, that all he had done

was to read from a petition, and that I as a government member was trying to keep him from his rights of free speech in representing his petitioners in the House.

I have had a chance to examine the petition and to examine the tape of what the member said in the House. I would simply like the House to know that he went beyond the petition in dragging in the issue of a Canada–U.S.–Mexico free trade deal and that he dealt with the motivation of a company called Multinational Resources which was not indeed part of the petition. Therefore the statement he made in the House about his own behaviour is simply incorrect and I think very inappropriate given the nature of the day and other things that had happened earlier in this House.

Mr. Langdon: Mr. Speaker, I certainly concede that I have not been a member of this House for as long as the government Whip but I have learned, and I hope that you will bear me out, that it is the custom of this House that if one decides to launch a personal charge of some sort that notice be given to the person and generally speaking that one waits until the person involved is actually in the House.

I would hope very much in the spirit of trying to see to it that we do have civility in the House that the government Whip would get up and withdraw his comments now. If he wishes to raise them at a future point when the member is in the House I am sure that our House leader will be quite prepared to respond.

The Acting Speaker (Mr. Paproski): The comments are unanswered now and I think that once the hon. member for Kamloops is in the House he may reply if he likes. I do not feel that we should get into that any further. The hon. member for Kootenay East has the floor on debate.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I am pleased to enter into the debate on Bill C–22, an act to enact the Wage Claim Payment Act.

It is without a doubt a step in the right direction. Bill C–22 is proof that the government shares many of the concerns of the area of protection for workers affected by the Bankruptcy Act. I would also like to say that although it took seven years for the government to act it has at least started to act in bringing in this bill.

I do not think I need to remind members of this House that the previous Liberal government failed to act on this important matter during its time in government. The member for Nickel Belt has risen on numerous occasions identifying the problems workers have when bankruptcies take place in trying to acquire their wages.

I agree fully with the basic principle of Bill C–22, that it addresses the issue of compensation for employees and it allows for some breathing room for businesses facing bankruptcies. These are actions that New Democrats, I believe, and all Canadians support.

This bill like all legislation is based on a principle but it is also an attempt to define and put into place regulations that attempt to bring the principle to life. While I support the principle and general thrust of Bill C–22 there are in my opinion a number of ways to greatly improve the legislation.

I would like to offer a couple of suggestions which I believe were also made in committee. First, there is the issue of priority in cases of bankruptcy. Bill C–22 does not really give jurisdictional priority to workers. It does not challenge the traditional hierarchy of creditors. The only wage claim payment contained in the bill is in fact external to the bankruptcy settlements process. It comes in the form of employer tax to be collected through the system.

What this government is doing is getting some additional taxation by passing a bill and again hitting the very people who are going to have the hardest time in trying to pay, and that is the small business people and the various small businesses which are trying to operate in very competitive markets.

Yet the government is determined to bring in this kind of taxation that will bring about those kinds of problems. For instance, it does not address the issue of private pensions. What about the pensions within the protection of a bankruptcy act. People have paid into pensions, or are part of a private pension scheme. While we look at the protection of the wage portion of it, what about the pensions? I say to you that while we are addressing the kind of work that went into this kind of bill, that is this big and this thick, and with all the committee work that went on, surely the government could have considered protecting pensions also. There are some very serious flaws in this bill.

• (1500)

As well, the $60 million wage compensation fund which is supposed to cover all of Canada is a band-aid. This fund will be eaten up in no time at all if the present levels of bankruptcies continue.

In my riding alone, I know of many bankruptcies that have taking place and of the serious affects they have, not only on the workers but also the people who are losing their pensions. It also hurts the surrounding community.

Finally on this point, the tax of 10 cents per week per worker is unfair. Surely we should take into account the size and health of the business. Should a small business really be taxed at the same rate as, let us say, the finance industry which employs 500,000 people? Should municipal governments, hospitals or school boards be forced to pay this tax when they cannot go bankrupt?

I feel these are questions that should be looked at seriously before the final bill is passed.

The idea of establishing priority for workers would have many advantages over a fund created by a new tax. By giving employees priority over banks the legislation would be practically self-financing.

In most cases banks are the first in line to collect outstanding debts during bankruptcy. By giving employees first priority we would not need a new tax and I cannot for the life of me see banks suffering. It is common practice for banks to ensure that the market value of assets pledged as collateral is much less than the size of the loans. Why not give employees a priority? Who would lose? The only thing lost would be the new tax on business. Why bring in a new tax when the money is already there?

I would like to finish by simply summing up my position. Bill C-22 represents a long overdue step in the right direction, but I think we can accomplish even more with no additional cost to the taxpayers.

Again this government is emphasizing its tax grab to the ordinary Canadian people in another way in another bill. It is like every piece of legislation. When the government brings in a piece of legislation it always tacks something extra on to it. I would like very much to be able to support this bill as a principle, but some of the things that are added into this bill and some of the things that are going on in this bill makes it almost impossible for me to do so.

I am very pleased to have had the opportunity to make my comments. I will close by urging the government to finally do away with the tax grab it is trying to bring about. Every bill we see in this House is further taxation. For goodness sake, get away from this idea of taxation and find another way that is more evenly balanced and fairer for our people.

Mr. Riis: Mr. Speaker, I rise on a point of order, in light of the comments made by my friend the government Whip who had some comments to make about a petition I had introduced earlier.

I do not know if the government Whip was embarrassed by some of the comments I made. I do not see why he would be. He was concerned that a reference I made about a company in British Columbia was inappropriate.

I simply want to say that I have a copy of a similar petition. As a matter of fact, it is the same petition, which I will introduce Monday and it refers to a firm called Multinational Resources. This is not a figment of someone's imagination. This is a firm that trades on the Vancouver Stock Exchange. Its principal is a fellow by the name of Bill Clancy who used to be executive assistant to—

The Acting Speaker (Mr. Paproski): I think the hon. member can either bring up the point of order immediately or he can defer it until the government Whip is in the House at a future time. I am not going to make a ruling on it yet, but I know exactly what is coming on here. However, I wish the hon. member would bring his argument to a close, please, on his point of order.

An hon. member: Here is the government Whip.

Mr. Riis: My point of order is that apparently the government Whip did not believe what I was saying in my petition when I was reading it on behalf of my constituents, and he threw some doubt as to its legitimacy or whether my constituents were reflecting reality in their concerns.

I simply want to say, particularly now that my hon. friend is in the House, that I have followed the rules as laid out in the traditions of the House of Commons whereby 15 minutes is set aside each day for members of

Parliament to present petitions on behalf of their constituents. I was doing that.

As a matter of fact, to save some time, because it was a long petition and rather than read out all parts of it I thought I would summarize it. As you so aptly pointed out, Mr. Speaker, a number of my colleagues were waiting to also present petitions. So I said: "How can I condense this and yet reflect the basic thesis of the petitioners?"

Mr. Milliken: That is what the rules say you must do.

Mr. Riis: Well, as my hon. friend from Kingston and the Islands points out, that is what the rules indicate. One is to summarize as best one can the content of the petition. I did that. I pointed out that a particular firm was planning to introduce engineering works to divert the North Thompson River into the Columbia valley basin and eventually to transfer water to San Diego, California.

The Acting Speaker (Mr. Paproski): Does the hon. member for Kingston and the Islands wish to say a few words on this in regard to this debate? Then I will set it aside for a ruling.

[*Translation*]

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, by chance, I consulted the sixth edition of Beauchesne's *Parliamentary Rules & Forms* and I found citations concerning the presentation of petitions in this House. Citation 1041 reads as follows:

> A member, when presenting a petition, may not make a speech nor present argument in support of the petition.

Only a brief summary of the petition is allowed. Citation 1042 reads as follows:

> When presenting a petition, a Member may make a brief statement of the content of the petition. In making such a statement, the Member should avoid going beyond the thrust of the petition and entering debate.

I think that the rules are very clear. If there is a problem with what the hon. member for Kamloops said when presenting his petition, I am sure that the hon. government Whip immediately raised the problem with the Speaker.

Perhaps the hon. member for Kamloops said something that was in the petition. I do not know and I cannot say, obviously. He can only present a summary of the petition and that is what he said today. Now if you want to hear more from the hon. government Whip, fine. If not, I think the case is very simple and you should give your opinion on it.

[*English*]

The Acting Speaker (Mr. Paproski): I do not think I have to hear any more arguments. I want to thank the government Whip for coming into the House while the hon. member for Kamloops put his arguments forward. I also want to thank the hon. member for Kingston and the Islands.

I will review the "blues". I would like to have another look at the "blues" just to see exactly how that petition did read and then I will come back with a ruling. We will carry on with debate.

• (1510)

Mr. Riis: Mr. Speaker, since it was not clear when the government Whip indicated his concern, could I ask for a clarification? What is the point of order? What is the concern that was raised by my hon. friend?

The Acting Speaker (Mr. Paproski): Do you want me to repeat it, or do you want the government Whip to repeat it?

Mr. Riis: Mr. Speaker, I know that you could repeat it, but I would like my friend to repeat it.

The Acting Speaker (Mr. Paproski): I think you will have an opportunity to read the "blues" and I do not think we should get into the debate any further at this time.

Mr. Langdon: I am sorry, Mr. Speaker, but surely now that my House leader is back in the House it is the time that the government Whip, if he has something that he wishes to raise, should raise it.

The Acting Speaker (Mr. Paproski): I just said that he did raise it. The hon. member for Kamloops had heard the remarks. I think he will be able to look at the "blues," and then I will be able to make a ruling on it as soon as I have an opportunity to read the petition again in the "blues". I feel that the matter is closed now.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I am pleased to enter into debate on this most important piece

of legislation. I remember years ago when I was first elected to this House. I think calls were then being put forward for legislation on bankruptcy. Year after year those same pleas kept coming forward, that we needed to do something in order to update our bankruptcy legislation. For one reason or another, while various ministers took various initiatives at least to indicate their intentions, they never went anywhere. Consequently once again here we are debating Bill C-22 regarding the Bankruptcy Act and the Insolvency Act.

Talking about bankruptcy these days seems to be a most appropriate discussion topic when we consider what is going on out in the real world. As we speak, thousands and thousands of bankruptcies are unfolding each day that the House is in session. This has become almost an unbelievable statistic that is presented on a monthly basis when we once again get the aggregate composite of the number of bankruptcies for the month of July, the month of August and the month of September. It is staggering.

We all know that this is only the tip of the iceberg. For every business that goes bankrupt many others simply close their doors, simply become a business that no longer exists. There is a graveyard of businesses that have gone under and the scorched earth policy of the various programs this government has imposed on businesses which has resulted in a travesty nothing short of embarrassing.

Literally thousands and thousands of Canadian firms went bankrupt during the past year, with liabilities in the billions and billions of dollars. We should also acknowledge the fact that while this is referring to business bankruptcies many individuals had to declare bankruptcy as well. The sad thing is that this has occurred many times as a result of nothing the individual or the firm has done, but they have been caught because of various policies and various economic circumstances beyond their control. I think all of us acknowledge the fact that from time to time we make mistakes, from time to time businesses make a bad judgment call and find themselves in dire economic straits and consequently pay the ultimate price of bankruptcy.

These days many people—and I am thinking particularly of those in the agricultural sector—find themselves having to abandon their means of livelihood, abandon the nature of their business, the nature of their enterprise. They are simply driven out from the life and business they have pursued because of reasons beyond their control. It is obvious that this is something we must discuss, the whole matter of bankruptcy.

We are talking today about the principle of this legislation. I want to put it into some context by simply suggesting that the current Bankruptcy Act dates back to 1949 and has never been seriously amended over the years. As far back as 1970, a study committee report commissioned by the government noted that the 1949 act essentially reflected economic and social conditions existing before the Second World War, that the Bankruptcy Act was inhumane, antiquated, and gave the lowest priority to people while making it easy on those who were making good incomes to walk away from their debts. It also indicated that employees of bankrupt firms were virtually assigned an expendable commodity status and that after the banks and secured creditors had scavenged the remains of the corporation or firm, workers were granted a preferred status for up to $500 in wages and up to $300 for unpaid sales person expenses.

We could go on and on in terms of the obvious shortcomings of the present legislation.

Between 1975 and 1984 no fewer than six bills were introduced by successive federal governments and they all died on the Order Paper. That clearly indicates that the governments of the day really had no will to proceed with bankruptcy laws that would treat employees equitably, that they were quite prepared to continue with the *status quo* which gave the employer, the banks and secured creditors a priority. The reality was that in spite of what appeared to be initiatives by various federal governments the results were that the bills all died on the Order Paper.

In 1986 the then Minister of Consumer and Corporate Affairs indicated that amending the Bankruptcy Act to give more protection to employees was one of his priorities. Here we are in 1991 and we are still dealing with it. As a matter of fact we still have a long way to go. Hopefully, though, we will now move expeditiously because of the work done in pre-study by the committee.

Earlier this year a member of cabinet had promised us a new and more equitable bankruptcy law for the spring of 1991. Seven years after this government had been in power and four ministers later we finally have a new bill before us, Bill C-22. It was introduced and read the first time back in June 1991 and the Standing Committee on

Consumer and Corporate Affairs and Government Operations conducted a preliminary study of this bill in September 1991.

The representative of the New Democrats participated in that study. I must first of all acknowledge and give the individual a great deal of credit for working with his colleagues in a co-operative and productive way. He has come up with a piece of legislation. While there are certainly concerns, and they have been registered by members from all sides, it is a relatively positive piece of legislation that benefited greatly from the pre-study that took place in that standing committee.

I must say in terms of the basic principle of the bill that we do agree that the principle itself provides compensation for Canadian workers for a situation in which they have no control and cannot be held responsible. I am referring to wages and vacation pay protection for up to $2,000 for 90 per cent of their claims and possibly an extra $1,000 refund for travel expenses incurred by those people involved in the sale of business. It also gives bankrupt firms some breathing time to reorganize, negotiate and possibly recover before secured and unsecured creditors move in. This gives a 30-day moratorium which the court could extend up to five months if it sees appropriate.

However, Bill C-22 has some major weaknesses and the work done at the committee level clearly addresses virtually all of them. The Standing Committee on Consumer and Corporate Affairs has tabled for us 21 recommendations. I think it is fair to say that almost all of those recommendations are the result of thoughtful and dedicated work by members of the committee. Having looked over them, all but one or two I think we support enthusiastically.

However the question is: Will the minister incorporate them in the legislation? This will be in a sense the acid test or the litmus test of parliamentary reform. If the government believes that the work of committees is legitimate, if the government really believes those members of all political parties who contribute unbelievable amounts of time and talent to those committee hearings and committee proceedings, and if the government believes that this is important for this institution, which most of us certainly share as a very important part of our work, it is up to the minister to indicate his good faith and introduce these recommendations into the legislation.

I hope we will see the majority of these recommendations being accepted and incorporated. It is, however, unlikely that the minister will have the political courage to adopt some of the fundamental recommendations, particularly those pertaining to the Wage Claim Payment Act. If that is the case, Bill C-22 will pass at second reading and proceed to committee. I believe at committee stage members participating in that committee considering the multi-faceted legislation will be provided with an opportunity for them to introduce these particular changes.

• (1520)

I want to concentrate on the major weaknesses of the bill which were addressed by the committee and that the government is least likely to correct. They are primarily in two areas: the priority of claims for workers and what they call walkaways coverage.

Bill C-22 does not really give a judicial priority to workers and really does not challenge the traditional hierarchy of creditors, with the exception of course of the Crown priority being reduced on one minor point, that is when the Crown is acting as a regular creditor to the firm it will be considered to be so. The project cost of this is $25 million.

The government has merely built in a wage claim payment that is external to the bankruptcy settlement process and the workers' compensation will be financed through a tax levied on employers and collected through the UI system.

Mr. Speaker, you are probably asking as you listen: Why a super priority? Workers are morally on top of the hierarchy of creditors and should be legally treated in that fashion. This has always been one of the pillars of our position on this issue. In that spirit I refer back to the member who represented us on this committee and his private member's Bill C-217 which seeks to amend the priority of claims section.

Mr. Speaker, I notice you are indicating my time is unfortunately coming to an end. There really is so much more to say, but perhaps we will have another opportunity to do so at committee, report stage and third reading. With that I will say there is much more to say but I will use another occasion to say it.

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I have been listening to the debate most of the time in my office. I want to take about three or four minutes to say

something particularly to my good friend, the hon. member for Mississauga South.

It seems to me there is something we are forgetting in the arguments that have been made from all sides on this legislation, that is employees, whether they are management, working staff, those on commissions and whatnot, should be the lenders of first resort and have first priority in compensation in the event of a bankruptcy or being forced into receivership.

I want to remind my colleagues that employees, whether in management, on the production line or on commission, lend their physical presence, lend their minds and lend their labour in the production of whatever the company is producing. What they have lent is only repaid as and when they receive their salary, wages or commission. That is why I want to submit that these people in a company in bankruptcy, large or small, are the lenders of first resort.

The institutional lenders, the financial institutions, shall be next in line. There is the case of the suppliers who I believe should have the right under a receivership or a bankruptcy to enter a premises and take back any of the unsold product that was sold to the company but had not been paid for. It should also apply to any unpaid holiday pay, expenses that are eligible for reimbursement and sick pay. They should all be included because they are part of the costs of labour. They are included in the total cost of a labour package of any corporation. I just wanted to say that the employee of a company that has gone into bankruptcy is just as much a lender as any bank or other financial institution. If he has not been paid for the labour he put in, then he should have first priority on the recovery out of either any cash that is on hand or any assets that will be sold. They should be first in line before anyone else.

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Prince George—Bulkley Valley, the hon. Associate Minister of Defence said earlier that she would like to come into the House and report on the air crash in the Arctic.

Is it agreed that the hon. minister will have an opportunity to report?

An hon. member: Revert to statements by ministers.

An hon. member: Will we get back to debate?

The Acting Speaker (Mr. Paproski): Yes. I have to recognize the hon. member for Prince George—Bulkley Valley for debate after. The hon. government Whip.

Mr. Hawkes: Mr. Speaker, in terms of order, I am not sure whether the entire House would like to see this matter disposed of in the sense of a voice vote which would then incur a referral until Monday at six o'clock.

I believe there are about 13 minutes left in the normal time.

An hon. member: There are four minutes left.

Mr. Hawkes: There are four minutes left. If that is not the predisposition of the House, should we maybe just take a minute and do the voice vote and get rid of that item, then have the minister's statement? I just raise the question.

Mr. Riis: Mr. Speaker, unfortunately I think we are going to run out of time. I know there is at least one other speaker and unfortunately he will not have time to complete his remarks. Perhaps the best thing to do would be to simply call it 3.29, which is the end of the debate period, and then move directly to ministerial statements.

The Acting Speaker (Mr. Paproski): Is it agreed?

An hon. member: We will agree to let him finish his remarks.

The Acting Speaker (Mr. Paproski): It is whatever the House would like me to do. Shall I ask the hon. member for Prince George—Bulkley Valley to complete his remarks, or start debate and I will cut him off in two minutes? The hon. government Whip.

Mr. Hawkes: Mr. Speaker, perhaps I can be helpful. I am not sure what my hon. colleague was saying. If we wanted to go on for 10 minutes after the remarks of the minister of Defence to allow the completion of the remarks and dispose of the item, I think there would be a large majority of the House quite prepared to do that. If they do not want to dispose of the item today in terms of bringing it to vote, that clarity would help us and then the suggestion of calling it 3.29 would be appropriate.

If we need more time for debate on this bill on another day, that is one thing. If all we need is 10 more minutes, I think the House would unanimously agree to complete those 10 minutes and then vote.

Mr. Riis: Mr. Speaker, what I am saying is that we need a few more moments to complete our remarks beyond what we are able to complete today. Therefore, I suggest to my hon. friend, and to members of the House, that we call it 3.29, resume debate and finish this off in a matter of minutes, perhaps, on Monday. Now we can go directly to the ministerial statement.

The Acting Speaker (Mr. Paproski): Is it agreed?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Therefore it is 3.29.

Mr. Blais: Mr. Speaker, I just want to understand where we are and where we are going on Monday. It is very important for us and for everybody to know.

I thought we had an agreement on that. I just want to make sure. If the member needs a few minutes more to finish his speech, I understand that. We had an agreement about the time from all three parties.

The Acting Speaker (Mr. Paproski): I find it now to be 3.29 p.m.

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

Mr. Riis: Mr. Speaker, for goodness' sake, we called for the minister to make a statement. We are prepared to listen to that statement immediately. It is important that we do that. I think we should suspend Private Members' Business to allow the minister to make a statement and if the parties want to respond appropriately as per usual that ought to be allowed as well.

• (1530)

For goodness' sake, this is a serious issue and the minister has agreed to be here. She is here. Let us hear her.

The Acting Speaker (Mr. Paproski): Shall I revert to ministerial statements?

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*English*]

NATIONAL DEFENCE

CRASH OF HERCULES AIRCRAFT

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I appreciate the co-operation of the House at this late hour on Friday afternoon.

Before the weekend began I did want to rise in the House and provide you with the most recent information on the search and rescue efforts which are continuing at this time near Alert in the Northwest Territories.

All hon. members know that on Wednesday, October 30, a Hercules transport aircraft crashed with 18 persons aboard while on approach to Canadian Forces Station Alert.

Soon afterward, a massive search and rescue operation was mounted by air and land from several bases and installations across Canada, including CFB Trenton, CFB Edmonton, and of course CFS Alert.

I think all hon. members will know that at this time of the year the conditions in the high Arctic are harsh and unpredictable. The temperature fell to minus 20 degrees Celsius. There were severe winds which created wind-chill factors and poor visibility, including total white-outs. Last but not least, the terrain in that area is extremely rugged and efforts to reach the downed aircraft were hindered by these very inhospitable conditions.

The personnel persevered and, at a brief break in the weather last night, specially trained search and rescue technicians were able to parachute into the crash site. Shortly thereafter the ground search party also reached the crash site.

However, it is with deep regret and sadness that I must inform the House that five members of the Canadian Forces have perished in this most unfortunate incident. They are: Captain Couch of CFB Edmonton, Captain Trepanier of Canadian Forces Communications Command Headquarters in Ottawa, Master Warrant Officer Jardine of CFB Trenton, Warrant Officer Grimsly of the Canadian Forces Communications Command Headquarters in Ottawa, and Master Corporal Pitre of CFB Edmonton.

Their families have been notified of the loss of their loved ones. I am sure that all members of the House will join me in extending our very heartfelt sympathies to the families of these personnel.

The rescue effort is continuing. I am informed that at two o'clock this afternoon the first four of the injured survivors were evacuated to the Canadian Forces Station Alert.

Our skilled search and rescue technicians are on the scene and a medical evacuation of the remainder of the survivors is currently under way. It will take time because of the very demanding circumstances, but progress is being made.

The casualties are being evacuated by helicopter from the crash site to CFS Alert. From there, after further assessment and treatment, they will be evacuated through the Thule Air Force Base to the most appropriate locations for required medical care.

I would like to acknowledge the generous assistance that has been provided by the United States Air Force to this rescue operation.

Finally, on behalf of all Canadians and the families involved, I would like to extend my sincerest gratitude for the outstanding efforts that have been made by all the men and women involved in the search and rescue effort.

Obviously at this point it is premature to speculate on the cause of the crash. There is an investigation which is under way and I will be sure to keep the House informed, perhaps on Monday, of further details on this. Over the weekend we will be making information available through the media about any further circumstances and the location of the injured.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I appreciate the minister taking the time out of her busy schedule today to come back to the House with this statement. I know that this problem must be preoccupying for her and I appreciate her taking the time to inform the House, and all Canadians, of the situation that has arisen in this tragedy on Ellesmere Island.

Like the minister, we would share the sense of loss that has occurred here for the five who have died in the crash. We extend our sympathies to the families and friends of those persons. It must be very difficult for them when these persons have been killed in the line of duty. We appreciate their service to our country and particularly in the very difficult circumstances they found themselves in in northern Canada at this time of year.

I want to commend the rescue efforts that the minister has indicated are being undertaken. I am pleased to hear that some of the persons on the site have been returned to safety. We hope, as does the minister, that the rescue efforts will continue successfully and that all the persons who are currently on Ellesmere Island can be removed safely to Alert and other places and receive the required medical treatment.

Our prayers go out to the survivors of the crash, that they may be returned safely to their families and friends in due course. We will certainly bear them in mind over the course of the weekend. We look forward to progress reports being forthcoming in the course of time and to hear that everyone has been safely removed and that everything will work out for the best for them.

Again I wish to express the sympathy of the opposition for the loss of these people who have died in the line of duty. On behalf of all Canadians, I wish to express our gratitude for their service to their country and our sense of bereavement at their passing to their families and their friends.

Mr. John Brewin (Victoria): Mr. Speaker, all members of the House will join I am sure in offering our condolences to the families of those who died in this very tragic accident. They died in the service of their country and we honour them for the service they have given and say to those who have suffered this loss that, as my predecessor said, they will be in our prayers this weekend.

We also join in the minister's words of praise for those who have worked on the rescue effort. Obviously it was an outstanding effort and we want to acknowledge that today.

The minister has been very helpful and forthcoming in saying to the House that there is an investigation going on into the causes and that the results will be made available to the House.

I would just like to say that all members of the House will be aware that this is not the first accident with a Hercules aircraft. It is not to suggest any prejudgment of the cause of this accident to say that I hope this House

will have an opportunity to review the report and to assure all Canadians that every effort is being made to understand the causes of this accident and previous accidents that have taken place so that we can do everything we can to ensure that it simply does not happen again.

The Acting Speaker (Mr. Paproski): The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

DEPARTMENT OF VETERANS AFFAIRS ACT

MEASURE TO AMEND

The Acting Speaker (Mr. Paproski): Before I recognize the hon. member for Regina—Lumsden, on Tuesday, October 22, 1991 the House was informed that Bill C-251, an act to amend the Department of Veterans Affairs Act, standing in the name of the hon. member for Regina—Lumsden was causing the Chair some difficulties from a procedural point of view.

This bill proposes to include merchant seamen as war veterans, thereby entitling them to all benefits that are presently enjoyed by Armed Force veterans.

This proposal seems to infringe upon the financial initiative of the Crown and to attempt to accomplish indirectly what procedure precludes from doing directly regarding disbursements of public moneys.

I would appreciate receiving the benefit of comments from hon. members regarding the procedural acceptability of proceeding with this bill.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, very quickly, I want to react to your call for comments regarding the appropriateness of whether this bill requires royal recommendation or not.

I submit that for the answer to this question, it is necessary now to determine an answer to the following questions. Will the passage of this bill necessarily result in an expenditure of funds? Could any funds be spent pursuant to this bill without a royal recommendation supporting those funds?

The requirement that a royal recommendation be attached to proposals for taxes and expenditures is not only core to the British parliamentary system, it is engraved in our Constitution and in our Standing Orders.

The same provision is contained in Standing Order 79(1) as is found in section 54 of the Constitution Act, 1967, and it 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.

• (1540)

This requirement is stringently applied in the House and prohibits private members from introducing taxation or expenditure bills and requires all private members' motions, all opposition motions, et cetera, to be worded in such a way that despite the unlikelihood of their passing without the implicit consent of the Governor in Council, they would not, if adopted, result in the necessary expenditure of public money or the imposition of tax.

However, the House does not restrain from debating or even passing motions which relate to taxes and expenditures. In order to permit debate, we adopt a basket clause which permits debates on such issues. The basket clause in motions is usually phrased as: "That the government consider the advisability of". Basket clauses provide a means for the House to adopt suggestions that expenditures or taxes are desired to lend moral or political support to such proposals without imposing on the Crown a duty which is beyond the authority of the House to do so.

Legislation can also contain a basket clause. A basket clause is used in Bill C-251. On page 1 at line 24 we find the phrase:

> (g) subject to such appropriations as Parliament may provide.

Is there any reason why basket clauses should be less acceptable in bills than they are in motions? Is there any real difference? If Bill C-251 were adopted and proclaimed there would be no automatic expenditure of funds at all. The bill is only permissive. It allows the Minister of Veterans Affairs to extend veterans' benefits to merchant seamen. It does not require him to do so.

Nor can the Minister of Veterans Affairs extend such benefits unless a royal recommendation is attached to the Appropriation Act which would approve such funds.

The answer then to the question identified above is clearly no. The passage of this bill does not necessarily result in an expenditure of funds. No funds could be spent pursuant to this bill without a royal recommendation supporting the expenditure of those funds.

Thus I submit that the bill does not require a royal recommendation.

This point of order raises a secondary important consideration concerning our Standing Order 79(1). That Standing Order requires that no vote be taken in this House on any tax or expenditure bill without a recommendation, but all bills, once introduced, are given an automatic vote at first reading. In other words, it is left entirely up to The Speaker to decide whether or not a bill is in conformity with the provisions of Standing Order 79(1).

The Speaker has, it is clear, found Bill C-251 to be in order. He permitted it to be introduced, to be given first reading and to be printed. To suggest now that Bill C-251 is out of order is to implicitly criticize the earlier decision of the Chair to permit introduction of the bill.

I do not suggest that the hon. member for Peace River was challenging the Chair's ruling that C-251 was in order, but all members are in a difficult position when all such rulings are made and resolutions adopted before a bill is actually printed.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I will speak simply to your request for some input on the procedural aspect of this.

I draw your attention, Mr. Speaker, to Standing Order 79(1):

> 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 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.

The reason for that, and it is a Standing Order of long standing, is that in our system of government, the Queen as represented by the Governor General in Canadian terms is responsible for paying the bills and he must have the concurrence of the bill payer to pay the bills. That is where it begins. If we expect the Queen, through the Governor General, to pay the bills then we must have some notification from the Queen, Governor General, royal proclamation it is called, that there is a willingness to pay the bills.

If you go to citation 599 of Beauchesne's, it reads:

> (1) 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.

It goes on to say:

> (2) In like manner after the question has been proposed on an amendment—

Right down to the level of an amendment.

> —and it has appeared that the amendment would vary the incidence of taxation or increase the charge upon the Consolidated Revenue Fund, the Speaker has declined to put the question.

Speakers have followed that principle through to another level. We have established that it is against the rules to propose something to spend money and that it is the duty, not a decision for the Speaker to make but simply a duty of the Speaker to impose on the House not to take it further.

To bring just two precedents to your attention, Mr. Speaker, one going back 12 years to February 1979 when Speaker Jerome was in the chair. One short paragraph is germane because it speaks not to the wording of a bill but to the objectives of a bill. He said:

> It is also difficult to believe that the objectives of the bill can be achieved without some substantial expenditures, at least for an initial period. Of course, this could only be of indirect consequence to the public purse and it could be corrected through the voting of a subsidy or a grant through Estimates.

In a case not as pronounced as this Speaker Jerome did move that the motion was not in order because of the achievement of the objectives. The objectives of this bill are compassionate. They are ones which most members of the House could support. However if those objectives are to be achieved, if money is to end up in the hands of the merchant seamen, then we must have the royal prerogative and it is the duty of the Speaker to indicate that the bill is not in order.

A more recent precedent was nine days ago in our own Senate. I would like to read just a couple of parts of that ruling on a bill remarkably similar to the one before us in subject matter.

The Speaker said in the Senate on October 23, 1991:

> After carefully reviewing the parliamentary authorities, the Chair has concluded that this interpretation of the general rules and practices of financial procedure is much too narrow. Our parliamentary tradition, strictly adhered to over many years, consistently indicates that bills emanating from private members which bind the House to future legislation appropriating monies is not in order in either Chamber of Parliament.

He goes on to say later about Bill S-5 in the Senate:

> If Bill S-5 were enacted it would seem that many Canadians, including the merchant seamen of Canada during World War II, and their spouses, would feel that Parliament is obliged to directly appropriate monies to provide the benefits promised by the bill, since the bill amends the appropriate categories of the Pensions Act and the War Veterans Allowances Act to include wartime Canadian merchant sailors. It seems clear to the Chair that the provisions of Bill S-5 represent liabilities to the Crown. *Erskine May*, 20th edition states at page 797, "a charge is also involved by any proposal whereby the Crown would incur a liability or a contingent liability payable out of money to be voted by Parliament". On these grounds, Bill S-5 requires a Royal Recommendation.

That is an additional caution to the Chair that the passage of something which creates an expectation on behalf of Canadians would bring the entire process into disrepute if the expectation were not met. We cannot have the expectation of the Queen, through the Governor General, paying a bill without the royal recommendation that must precede it. It is perhaps unfortunate but I think it is the duty of the Chair to rule in that fashion.

The Acting Speaker (Mr. Paproski): Before the hon. member for Kingston and the Island commences I should inform the House that because of a ministerial statement an additional eight minutes will be added to Private Members' Business today. It will be 4.37 when we finish.

• (1550)

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I have listened very carefully to the hon. member for Kamloops and the government Whip. I basically side with the hon. member for Kamloops in my argument because I think the government Whip was correct in his initial statements but then he cited as his authority the Speaker of the Senate in a recent ruling in the other place.

With great respect, aside from any doubts one might have on a ruling from the Speaker of the Senate after the rulings he made in the GST debate, I can tell the hon. member that I would have very grave doubts about any ruling of the Speaker of the Senate.

This one deals with another bill entirely. The other bill seeks to amend two acts which are not touched by the act that is before this House. It deals with a rule in the Constitution requiring that bills involving the expenditure of money not be introduced in the other place. Frankly it is a ruling on a different bill and a different aspect of the law relating to the royal recommendation.

I know that my friend from Calgary West will want to agree with me in that respect. To turn, as I must, to the provisions of the bill, I point out that in the bill itself the amendment that allows for the payment of money to veterans is couched in very careful language. The new section 5(1)(g) of the Department of Veterans Affairs Act says: "Subject to such appropriations as Parliament may provide" and it goes on.

There is ample authority for the idea that clauses can be inserted in bills that will prevent money being expended under the bill unless and until Parliament appropriates money for the purpose set out in the bill. I refer Your Honour to citation 613 of Beauchesne's sixth edition where it states:

> A bill, which does not involve a direct expenditure but merely confers upon the government a power for the exercise of which public money will have to be voted by Parliament, is not a money bill, and no Royal Recommendation is necessary as a condition precedent to its introduction.

That is the first point. This bill does not require that the government pay pensions to these persons. It says that the payment of the pensions is subject to appropriations as may be given by Parliament. The government in order to pay these pensions would have to bring in an estimate in the usual way with a recommendation from His Excellency recommending that estimate to the House.

I submit that it falls squarely within the ambit of citation 613 of Beauchesne's. I could cite in further aid citation 614 which states:

> A bill, designed to furnish machinery for the expenditure of a certain sum of public money, to be voted subsequently by Parliament, may be introduced in the House without the recommendation of the Crown.

There is a supporting citation in *Journals* of the House of Commons of Canada, Tuesday, January 16, 1912. The Speaker in a ruling that day was confronted with a bill that had been introduced to amend the Inquiries Act. It provided for the appointment of additional commissioners under the Inquiries Act who would be paid out of the Consolidated Revenue Fund of Canada.

If I may cite from page 119 of the Speaker's ruling, he stated:

> It has been urged that though the present bill does not deal with the question of payment of the persons to be engaged by the commissioners, they might under its terms incur expenses which will be payable out of the Consolidated Revenue Fund and thus be a charge upon the people without Parliament making any provision for their payment by a resolution in supply.

Your Honour will recall that a supply bill had to be preceded by a resolution tantamount to the procedure that the Royal Recommendation fills in for today because that resolution required the royal recommendation at that time.

Then he stated:

> The question is not free from difficulty. Mr. Bourinot in his observation seems to have extended the scope of the rule rather beyond the terms in which it is worded. What those terms cover is "a motion for any public aid or charge upon the people". This bill does not constitute such a motion. The most that can be said is that under its provisions something may have to be done which may rise to a claim against the government. If this be sufficient to bring it within the rule, then it would have to be held that every bill conferring a power upon the government in the exercise of which expense might be incurred, it comes under the rule. This, in my opinion, would be giving altogether too extensive an interpretation to the words "a motion for any public aid or charge upon the people".

And he went on:

> While the authorities are not absolutely reconcilable, I am not disposed to attach to the rule this very enlarged meaning, I am therefore of the opinion that no resolution is necessary.

In this case, since the bill has the very specific provision in it that it is subject to such appropriations as Parliament may provide, Your Honour could follow the precedent established in 1912 and rule that this bill does not require a royal recommendation. However before any payment could be made under the bill the government would have to, if it chose to do so, bring in estimates to permit it to make the payments. In the absence of such estimates the payments would not have to be made. I think that is the test.

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, I am on the verge of tears but I will wait until you have made your ruling.

I will not repeat the arguments of my colleagues from Kamloops or Kingston and the Islands. My bill is deliberately worded as it is in order to obviate any requirement for a royal recommendation because I cannot provide one. I know that. I sought out the best legal advice I could find.

We have been 45 years in failing to redress a wrong to the merchant seamen of Canada. They suffered higher casualty rates than any other service in the forces and were paid less than people in the Royal Canadian Navy. There were 12,000 of them and there are now 3,500 left.

Mr. Speaker, let us assume that you rule the bill in order. What happens? It passes second reading, it goes to the committee and passes there, passes report stage and passes third reading. As a result of lines 24 and 25 in my bill nothing happens with that legislation as passed. Assuming it goes through the Senate and receives royal assent still nothing happens with it. It remains lying there in the Statutes of Canada unless and until the government attaches a royal recommendation for its expenditures of money to fill the purposes and intent of this bill.

This does not fly in the face of the traditional practice. I want to thank my hon. friend for Kingston and the Islands for his fine research on precedents which fly in the face of the arguments put forward by the government Whip.

I am certain that the overwhelming majority, if not all members of the House, want this done. That is why the bill is worded as it is. I would hope, Sir, that if you were thinking of ruling it out of order you would be willing to reconsider and report back at a later time.

The Acting Speaker (Mr. Paproski): Before I recognize any further speakers here I want to thank the hon. member for Kamloops, the hon. government Whip, the hon. member for Kingston and the Islands, and the hon. member for Regina—Lumsden. I will take this matter under advisement. Meanwhile, I will permit debate to take place on the item until the end of the time provided for the consideration of Private Members' Business.

However no question may be put on this item which, in any event, is not a selected item.

• (1600)

Once we get to the end of the debate, I will have another pronouncement to make.

I will call upon the hon. member for Regina—Lumsden on debate.

I am sorry. After listening to all the arguments, I guess it would be nice if I did put the question.

Mr. Les Benjamin (Regina—Lumsden) moved that Bill C-252, an act to amend the Department of Veterans Affairs Act, be read the second time and referred to Legislative Committee G.

He said: Mr. Speaker, I appreciate the opportunity you are providing me to make my speech on this bill and I will wait with great trepidation as to what you are going to decide on it.

I am proud to be able to rise today and speak in support of this bill, an act to amend the Department of Veterans Affairs Act. This bill, if it became law, would define those who served in Canada's World World II merchant fleet as war veterans. These former merchant mariners would thereby become eligible for all of the benefits that have always been extended to all other war veterans.

Anybody who would deny that these merchant mariners are not war veterans is totally wrong. I am afraid I cannot use the language that I am thinking of. They are war veterans, period. The bill would also, finally and forever, extend to our wartime merchant mariners the status of war veterans, recognition which they purchased at a terrible price.

Following World War II, the Government of Canada extended 18 benefits to veterans of our Armed Forces. Of those 18, only four were granted unconditionally to the merchant seamen. A further seven were extended only under certain conditions. For example, in the Veterans Land Act, a merchant seaman could qualify for it only if he was disabled. How the hell is he going to farm if he is disabled? What outrageous stupidity we have perpetrated on these veterans.

Twelve thousand merchant seamen served their country in World War II. About 3,500 are still living, while 1,259 of them died in combat. This was one of the highest casualty rates of any allied service during the war. Canadian seamen served with distinction on all oceans of the world during World War II. Nearly 200 were imprisoned, some of them for many years. The loss of seamen's lives during the battle of the Atlantic was the highest proportion of any other allied force.

Those Canadians who served in dangerous waters during the last great war seek today what they have sought since the end of the war: equal recognition, entitlement and the benefits now received by their fellow veterans.

We are approaching Remembrance Day and, my God, it is high time, 45 years past time, that we remember our merchant seamen.

Last year for the first time the Royal Canadian Legion agreed that World War II merchant seamen should be given full war veterans status, as have several other veterans organizations. That is why I have moved this legislation before the House, because it is high time to extend those benefits.

It is time Parliament acted on this, past time, and if it would become law it would give veteran status to those merchant seamen who served in our merchant navy.

I want to remind the House that this question has been studied for almost a half a century, 45 years. We have had all kinds of reasons and foot dragging, procrastination and outright refusals over that 45 years. One put forward in the early years of the merchant seamen's fight was that they got paid more. The fact of the matter is in all but one or two categories in the merchant navy, they got paid less than members of the Canadian Armed Forces, and particularly the Royal Canadian Navy.

During the war they were not only paid less but they faced risks that were just as great, if not greater, than those in the other Armed Forces. To say that they were civilians and they could move or work for one company or another, from one ship to another, was totally false. That was another excuse that was put up for years after the war.

Members of the merchant service during the war could not leave that service. They were compelled to remain in that service. They were bound by military discipline and military orders for the duration of the war. We have still

failed to repay our debt to these veterans of the war against fascism.

Successive governments, in my opinion, and successive Parliaments have shamefully failed to act in refusing to recognize adequately the contribution of these courageous Canadians and what they did during those terrible years. I find it therefore especially gratifying to see the members of the Standing Committee on National Defence and Veterans Affairs, members of Parliament from all three parties, coming together with such unanimity on the need to act now. After the war, merchant seamen were not provided with the same rehabilitation benefits given other Canadian veterans. That is why I and other members of the committee are calling for it as being urgently required.

It is puzzling. Merchant seamen have been awarded the same medals as those given to Royal Canadian Navy veterans. It seems to me that successive governments and Parliaments have been trying to have it both ways.

The United States, the United Kingdom and Australia recognize their merchant mariners as veterans. Since January 1988 merchant seamen in the United States have been eligible for full benefits of the Veterans Administration.

On this issue, the ball is in the government's court, and Parliament's for that matter. We are all on the hook on this one. During the Battle of the Atlantic, as I mentioned, they suffered the highest casualty rate of any other service. On October 2, 1991, the standing Committee on National Defence and Veterans Affairs unanimously passed a report on this issue. The minister, of course, has 150 days in which to respond to the report in question.

I would not want to prejudge his response. However, I have no doubt that while he considers the committee's recommendation he will be asking his officials to consider the cost. I hope that at some point he will present his findings in this regard to cabinet for approval of the action required to implement the recommendations of the committee.

I do not quarrel with the government's responsibility to examine the fiscal implications of any policy initiative. That is why that clause is in my bill, subject to any appropriations by Parliament. In considering costs of acting on the committee's recommendations, the government must not lose sight of the ethical and moral obligations Canadians have to our World War II merchant mariners who have never received the recognition and reward they earned during their wartime service.

• (1610)

There can be no price tag on doing the right thing because we can never fully repay our merchant seamen as well as all other veterans. We as a people must not let any costs of these benefits cause us to deny them to those who have earned them.

Our committee was unanimous in its support of the merchant mariners' quest for justice. We agreed that our recommendations are long overdue. Even we felt some shame as to them being so overdue.

Another thing happened following the end of the war. A certain Hal Banks was brought into Canada. Merchant mariners who served during the war all of a sudden found themselves without jobs, frozen out, black-balled. They could not work at their trade. Many of them who survived the war and stayed in the fleet found their jobs sold out from under them and U.S. gangsters imported to destroy their union.

The destruction of the merchant fleet, the importation of Hal Banks and his methods, meant that many merchant seamen were deprived of their livelihood after gallantly serving their country at great personal risk, which means that our obligation to them is even greater than to other veterans.

Arguments have been made over the years in favour of extending merchant navy veterans the same vocational training benefits as given to other veterans. It is too late now to do so, but there remains the question of retroactivity for some other benefits. Why not, for example, extend to merchant seamen, merchant navy veterans who are eligible, retroactive disability benefits?

The other benefits that merchant seamen were denied could and should be at least partially restored. For example, the clothing allowance. I got $100 when I got discharged. For $100 in 1946 I was able to buy a hat, new suit, shirt, tie, socks, underwear and shoes. I will not say I went to the fancy stores in Calgary, but it sufficed to get me home in civilian clothes.

Why not give them some kind of recompense? Maybe we do not have to call it a clothing allowance, but why not give them a few hundred dollars, allow for a bit of inflation even though we have had lots of it, to use in

some other way? Maybe there are a few who desperately need some clothes. No doubt there are.

Last spring a man whose name is honoured in this city and among veterans, Gordon Olmstead, came to Parliament looking for something denied him for almost half a century: recognition. Gordon Olmstead, the Second World War veteran and prisoner of war, should have been entitled to the benefits offered to other veterans by a grateful nation. However Gordon Olmstead served with Canada's merchant marine, and the federal government and Parliament still refuse to acknowledge the contributions and sacrifices made by those who served in that fleet. Mr. Olmstead and other merchant marine veterans appeared as witnesses before the House of Commons committee. Their goal was to obtain legal recognition of their status.

Olmstead served as a prisoner of war, captured by a German submarine, and spent years in a prisoner of war camp. We have done nothing for him.

We heard from all the witnesses. the nearly 200 letters I have received, most of them from merchant navy veterans from across Canada, would wring tears out of a jury full of bankers.

It is no wonder that Canada's wartime Minister of Transport called the merchant seamen the fourth arm of the fighting services. On many merchant ships there were four, five or six Royal Canadian Navy men who were there as gunners. On the same ship there were merchant mariners who were trained by the Royal Canadian Navy to man those guns.

Who says they were not subject to military discipline and military law? Sadly the sentiment of Canada's wartime Minister of Transport about them being the fourth arm of the fighting service was conveniently set aside when the war ended in 1945. Then it was time to award and honour our merchant seamen but their service was ignored.

I mentioned that there were some 18 benefits provided for veterans of the regular armed forces. The merchant seamen got four of them. We must undo this injustice. That is the least that our nation, this Parliament and this government can do in order to show our gratitude. We can do no less, because to do less would demean not only them but us and all the other veterans who are unanimous in wanting these merchant mariners to receive these benefits. Nor were their dead given the same honours they had purchased at so dear a price.

There is not a single taxpayer in Canada who has or does object to benefits paid to our veterans over all these years. There is not a single taxpayer in Canada who objects or will not be willing to help pay for additional benefits for merchant mariners. I defy anybody in this House to bring forward one person who opposes this, one person.

This must be acted upon without delay. My bill does no harm or injury by way of financial implications because of the clause in my bill, subject to appropriation by Parliament. The government may or may not as it sees fit act upon that very provision. That is up to the government. You will not hear me crying about it if it chooses for a variety of reasons not to act on it. That is its prerogative. It is the government.

May I close by saying that I have another objective and motive behind this bill. I have been praying we could get it past second reading so that the House could express its wishes on this matter. I am not going to get into arguments about free votes and that sort of nonsense. I know there are members on all sides of the House who want to support this in no uncertain terms.

My colleagues from the Conservative Party and the Liberal Party on the veterans affairs committee were adamant and made no bones about it: merchant mariners are veterans, period, and should be so recognized.

May I make a final point. If this bill could pass second reading, when it is in committee I will offer to the government that it can take the bill, make it a Government Order and bring in the appropriate royal recommendation. The government can have the credit for it. I do not give a damn, as long as we do it. I for one am sick and tired of the foot dragging, procrastination, obfuscation and sometimes deliberate stalling. The time for stalling is over with. The time for delay is over with. This has to go and it has to go now.

• (1620)

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, the proposed legislation continues to keep the spotlight on the vital and gallant part played by Canadian merchant seamen in wartime. Some of these mariners have been hurt by the

lack of attention given to their wartime efforts. The bands played and the crowds waved for members of the armed forces at the end of the war, but the reception given to our merchant seamen was too often muted. There was that perception and it has been the same ever since.

Until recently the story of our merchant navy has been lost in a fog of indifference. Only the perseverance of a handful of former merchant seamen has brought this story to the attention of members, the media and the public.

The history of our wartime merchant navy is one of bravery, stamina and success. They did indeed deliver the goods. Just how important was the merchant navy during the Second World War? Was it, as some claim and as the hon. member has mentioned, the fourth arm of the fighting services? Here is how General Eisenhower saw it.

It was 1944 and the allied advance toward Germany had stalled through lack of supplies. It was vital for our Canadian troops to clear the approaches to the great port of Antwerp. This they did and in November 1944 the Canadian built vessel *Fort Cataraqui* sailed into Antwerp to a joyous reception. Said General Eisenhower:

> The end of Nazism was in clear view when the first ship moved unmolested up the Scheldt.

High tribute, Mr. Speaker. The three fighting services relied upon the merchant fleet who with courage and stamina maintained the lifeline between North America and Europe. We have not forgotten their efforts.

Canada has indeed done a lot for its merchant seamen for a very long time. For example, a Civilian War Allowance Program was introduced in 1962 that gave merchant seamen the equivalent of the War Veterans Allowance. Today's legislation is asking us to do more, but that does not obscure the fact that there is a generous and varied package of programs available to our merchant seamen right now.

It has been said that the United Kingdom and more recently the United States and Australia have given their merchant seamen the status of veterans. The United States declared the service of their merchant seamen to be active service and that triggers the U.S. Department of Veterans Affairs benefits. Australia has not given them veterans' status but has given them health care benefits comparable to those of veterans. In any case I very much doubt if any of those three countries has done as much for its merchant seamen since the end of the war as we have done for ours in Canada. This is something this House and the Canadian public should understand. Canada has probably the most generous package of veterans' benefits and programs in the world. The large majority of this package is already available to our merchant seamen and has been available for many years.

Now the member for Regina—Lumsden wants the government to eliminate all differences in treatment between those who served in the army, navy and air force and those who sailed with the merchant navy. He wants merchant seamen to carry that proudest of all titles: Canadian veteran.

Mr. Benjamin: Hear, hear.

Mr. Richardson: However the title wartime merchant seaman is also a very proud title, one that was earned at great sacrifice. The challenge now is to ensure that we are being absolutely fair to them but not to confuse the issue by improper and insensitive use of two justly proud titles. These arguments deserve every attention.

The Minister of Veterans Affairs has shown a great interest in this matter. He has met with individual seamen and representatives of their associations. He has asked the leaders of our veterans' organizations to get together and give him their views. This they have done. The Senate subcommittee on veterans affairs has also presented the minister with a set of recommendations.

The House Standing Committee on National Defence and Veterans Affairs has released a comprehensive report on the subject, complete with recommendations. The member for Regina—Lumsden is a member of that committee, and it is a bit surprising to see that he has decided to go outside the committee and freelance on his own.

Mr. Benjamin: I rise on a point or order. Maybe the hon. parliamentary secretary does not know any better but my bill was put in long before there was any veterans affairs committee report.

Mr. Richardson: As usual an irrelevant comment from the member, Mr. Speaker.

As members have heard, our merchant seamen have certainly received attention in the last year. I suggest this interest has been helped by way of the Minister of Veterans Affairs. He has gone a long way and has welcomed this advice.

He and his officials have a lot of material to work through. There are matching recommendations in some cases but there are some differences. This legislation containing a retroactive measure adds to the suggestions for consideration.

Surely the member for Regina—Lumsden would have the minister properly assess and compare his amendments with the recommendations he has received from other quarters. Surely he expects more than a cursory review. Officials of Veterans Affairs will obviously have to cost out the individual proposals. Surely proper consideration requires more than a few hours of review.

Appropriately the minister is not yet in a position to say whether or not some or all of the various recommendations can be acted upon. After all, it has been less than a month since our own House of Commons committee released its report.

In the meantime let me repeat that our merchant seamen will continue to enjoy the vast majority of the generous benefits available to all other veterans of Canada.

Mr. John Manley (Ottawa South): Mr. Speaker, I consider it an honour to be able to speak on this Bill C-251 presented by the hon. member for Regina—Lumsden.

In so doing I am pleased to be able to speak on behalf of not only myself but a number of members of my party who would have liked to contribute their thoughts to this debate, including the member for Notre-Dame-de-Grâce who has been concerned with this issue for many years, the members for Hillsborough and Kent who are critics of Veterans Affairs and who I think share the deep feelings of the member for Regina—Lumsden.

It is unfortunate that the tone taken by the parliamentary secretary suggests something of a partisan element, particularly in light of the report the House of Commons committee recently released. I would like to read from that report, because it does set a very clear tone for the matter we are considering: "On the basis of evidence heard before the committee, there can be little doubt that our wartime merchant mariners have been unfairly treated. We are unable fully to correct old mistakes, but we believe it to be appropriate and necessary for the Government of Canada to recognize the errors of the past and make the proper amends".

It goes on to say: "The committee is in full agreement with the Royal Canadian Legion when it stated: 'Let us now obtain full access to all veterans benefits for those who so gallantly served in wartime aboard the ships of the merchant navy. The Royal Canadian Legion has long accepted these men as veterans but the name veteran without access to the benefits is cold comfort indeed. We should treat them as full veterans and identify them as such".

For many Canadians it would be helpful to think back to the days particularly of World War II. I was not born yet but I have heard and read the stories. It is a fascinating tale. There was a German naval staff memorandum dated 1939, for example, in which the German high command defined the target of its principal strategy as: "The merchant ship, not only the enemy's but every merchantman which sales the sea in order to supply the enemy's war interests". The memo goes on to say that: "The final aim of such attacks is to cut off all imports into and exports from Britain".

Of course the merchant navy played a role in World War I, as well as in the Korean War. Its role in World War II is that I suppose for which it is most famous and most well known. If we follow the speeches of Churchill, for example, in those early days of the war, 1939-1940 and on into 1941, we find the incredible peril Britain was in. The Nazi war machine swept across continental Europe, took France almost without a battle, marched to the very shores and began the aerial invasion of Britain, the Battle of Britain. Had Britain been lost, according to President Roosevelt: "All America would be living at the point of a gun". I think he is referring to the North American continent.

• (1630)

Some of the statistics have already been introduced into the record by my colleagues. However, I think it is important to highlight the fact that of about 12,000 Canadian merchant seamen 1,146 were killed in the line of duty, a ratio of nearly 1 in 10. This compares with a ratio of 1 in 47 for the Royal Canadian Navy. The

dangers faced and undertaken by these individuals were enormous.

The situation in the North Atlantic is well described in this tale by Joseph Schull, in a volume entitled *Canadians at War—1939 to 1945*. He states:

> In March 1943, about 70 U-boats were in the northwest Atlantic, in three great lines of patrol: one between Labrador and Greenland, another running due south and to seaward of Newfoundland and Nova Scotia, a third paralleling the Nova Scotia coastline to a point below New York. They barred every exit and entry for the ocean convoys. Eastward, to the fringe of British coastal waters, were 40 more U-boats.
>
> This North Atlantic force of 110 U-boats was by no means the total. On one day, March 9, five convoys were attacked simultaneously: two transatlantic convoys, a north Russia convoy, a convoy bound from Brazil to Trinidad, and one on passage from Britain to Gibraltar.
>
> But the North Atlantic was still the crucial area. Three escort groups, struggling to keep convoys together in the great gales, had the impossible task of warding off attackers who came from many directions at once, often outnumbering the defenders two to one, sometimes more heavily than that. Evasive routing was practically useless in view of the number of U-boats at sea. Every sailing was made with the virtual certainty of encountering a larger German concentration. Losses were outpacing the entire shipbuilding efforts of the allies. So many escort vessels were laid up for repair or weather damage in March that the group system was in danger of disorganization. It began to seem that the convoy system, after all the years of effort, could not be maintained.
>
> March losses were 627,000 tons of merchant shipping. It was not the highest figure of the war, but the ominous fact was that for the first time 75 percent of the ships had gone down while protected in convoy.

An amazing statistic.

It is clear from the statistics that I have mentioned and from the facts that surrounded the important role that the men of the merchant navy played that these were people of courage and gallantry who performed an essential and necessary service, not only for Canada but for the protection of freedom in the world. One wonders what would have happened had it not been for the sacrifice and contribution of these individuals.

Thirty-five hundred of them are left today.

When they came back from the war they lacked many of the benefits that the regular servicemen received. They did not have full access to the Veterans Land Act which many veterans took advantage of to get a foothold, to re-establish themselves when they returned. They lacked the educational programs. Many veterans were able to achieve their higher education as a result of the programs available to them.

I am almost out of time but I would like to say in closing that one of the finest Canadians that I know was a merchant seaman. He wanted to join the air force but was unable to do so because he did not meet the educational requirements. Therefore to serve Canada he joined the merchant navy. He married on a shore leave and still continued to serve. He returned at the end of the war ineligible for education benefits. He and the wife he married during the war had a daughter who is my wife. I am very proud of him and think that he deserves every bit of recognition that any other veteran has received.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I am more than pleased to take part in this debate. I do want to thank the hon. member who was responsible for this debate today. Since I have been here, it has been an issue that he has brought to the floor of this House of Commons on many occasions. I think we all have sometimes a grudging respect for the member, but certainly a very deep respect for the concern and absolutely genuine respect for where his heart is in respect of this issue.

It is a strange irony, or an unsettling irony, that we are taking this debate up today given the fact that the Associate Minister of Defence spoke in the House today on the latest tragedy that has struck our Armed Forces. She spoke of the ultimate price that some of those individuals paid, that families are experiencing today, for serving our country so very well. We, as a nation, are only two weeks away from the day that we remember all of our war family people and past war experiences. I think it is very fitting that we do debate this today.

There is no question that the merchant seamen served us very well in World War II, exceptionally well. They were just some of many hundreds of thousands of Canadians who served us during the war that in a sense have gone unrecognized. That is not right. I believe they do deserve more recognition than they get.

One of the things that I want to do today, to the benefit of the member from Saskatchewan, is bring to the member's attention the benefits that we do give to the merchant seamen in recognition of the great service that they have given this country of ours. I do not think the member dismisses this. In total, that amounts to

about $20 million from the Government of Canada every year. That is from, of course, the taxpayers of Canada.

It is a real recognition of what they have done. These benefits are indexed benefits, indexed to the rate of inflation. They are also tax free and deservedly so. We will not argue whether it is enough or not. I guess enough is never enough when we come to repaying those service people, war veterans and merchant seamen for what they have done for us. Mr. Speaker, I guess my time has elapsed. Could I have unanimous consent to continue?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It is agreed for just a couple of minutes.

Mr. Thompson: I appreciate that very much, Mr. Speaker. It is a generosity that is very seldom extended in the House, and I very much appreciate it.

In addition to that $20 million, I want to identify some of the areas in which that is spent. It is spent in terms of income support health care. We provide a number of services. One of them is health care benefits not covered by provincial governments. That includes such things as eye glasses, prescription drugs, dental care, hearing aids and chronic care and community beds.

One of the things, and very rightly so, brought up by the member that is not covered is the availability of extra-military to these people in regard to civilian access to departmental or contract bids throughout the nation which is, of course, available to those designated as veterans. That designation as veteran is the area in which we will end this debate today, given your consideration.

We do not officially recognize merchant seamen as veterans. Some countries do. For example, the United Kingdom recognizes its merchant seamen as veterans.

This is a very important point for all of us to recognize. They recognize them as veterans but do not give them the same kind of income support as we do here in Canada.

In a sense the question becomes one of definition. It is fine to be designated as a veteran but it is another thing to receive the programs and support that you need.

I will quote from a Royal Canadian Legion submission to the Standing Committee on National Defence and Veterans Affairs which sums it up much better than you or I. It simply states: "The name veteran without access to the benefits is very little comfort indeed". It says it is cold comfort indeed.

We do not recognize them officially as veterans but we do have support programs for them and their families, their dependents, which may not go far enough. However the government certainly recognizes the great service the merchant seamen performed for this country during a time of war and will continue to recognize them in the manner that we do.

The Acting Speaker (Mr. Paproski): The time provided for consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1) the order is dropped from the Order Paper.

Even though this item is dropped from the Order Paper I will nevertheless give my ruling on the procedural acceptability of this bill at a later time, for the hon. member for Regina—Lumsden.

This House stands adjourned until Monday next at 11 a.m., pursuant to Standing Order 24(1).

The House adjourned at 4.41 p.m.

HOUSE OF COMMONS

Monday, November 4, 1991

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

NATIONAL DEFENCE

SUGGESTED TERMINATION OF NORAD AGREEMENT

Mr. John Brewin (Victoria) moved:

That, in the opinion of this House, the government should serve notice on the government of the United States of America that the current NORAD agreement is to be terminated by May 31, 1994, and that in the meantime, the government should institute a thorough public review of Canada–U.S. defence relations, including discussions between U.S. and Canadian parliamentarians.

He said: Mr. Speaker, I especially thank the member for Esquimalt—Juan de Fuca for the alacrity with which he moved to get to the point where he could second my motion. I thank him for that.

The motion I have put before the House, which I am inviting the House to support, has two essential parts to it. First, in the opinion of this House, the government should serve notice on the Government of the United States of America that the current NORAD agreement is to be terminated by May 31, 1994.

Second, in the meantime, the government should institute a thorough public review of Canada–U.S. defence relations including discussions between United States and Canadian parliamentarians.

The motion arises from the discussions that took place last fall before a subcommittee of the Standing Committee on External Affairs and International Trade. The subcommittee was considering whether Canada should proceed to renew the NORAD agreement on May 31, 1991. The committee heard briefs from citizens across-Canada, had a special panel of experts that prepared some useful material for the committee and debated the issue at some length internally.

The results of those deliberations was that the committee could not agree on the issue as to the renewal of the current NORAD agreement. The committee did agree unanimously that there should be a thorough public review of Canada–U.S. defence relations. The precise terms of the committee's recommendation I would like to put on the record. All members agreed with the following. Given the extraordinary changes of east–west relations and the ending of the cold war, the government should carry out in the first two years of any NORAD renewal period a comprehensive public review of Canada–United States defence co–operation and the future surveillance needs of Canada, the United States and their northern neighbours.

As part of the review process there should be a full and frank Canada–United States political dialogue about NORAD's future, about Canada–United States defence co–operation and about the future surveillance needs of Canada, the United States and their northern neighbours.

To that end, Parliament should initiate an exchange of views and information between Canadian and American legislators with the first of the meetings for this purpose taking place before the termination of the NORAD agreement on May 12, 1991.

The Canadian relationship with the United States in defence matters has been a critical part of this country's foreign and security policy since the early days of the Second World War. Prior to that, those who have some historical interest should note that, in fact, there was no specific agreement between the two countries on defence matters. Canada took responsibility for its own military security. At the outbreak of the Second World War, Canada responded quickly in September of 1939 to the outbreak of war in Europe. Canada declared war against Germany and proceeded to play a very critical role in that war.

The United States, as all will know, did not enter the war until December 1941. In that intervening period, however, there were agreements reached between the two countries on defence relations. During the Second World War, of course, there was intense co-operation between the two countries. Following the Second World War and with the rise of the perceived threat to North American security by the Soviet Union and its allies in eastern Europe, Canada entered into co-operative agreements with the United States under two main headings. The first was NATO, with the other western European countries, under the North Atlantic Treaty Organization. But for Canada in the mid-fifties, we reached a very specific agreement in respect of North American defence. This has always been seen as a subagreement under NATO, but in fact it is not necessarily under NATO. It stands on its own as an agreement between the United States and Canada.

Initially, the perceived threat to North American security was that of the U.S.S.R. attacking North America using manned bombers, carrying nuclear weapons and conventional bombs. As we got into the sixties and seventies, the nature of the threat changed to essentially a missile attack. This was not only from land-based missiles in the Soviet Union, interballistic missiles going from the Soviet Union to North America, but also sea-launched, sea-based missiles from submarines and other forms of attack on North America.

As the nature of the threat proceeded, the defence to that threat began changing. Initially there was the thought that we could put fighter planes up into the air to actually knock down the manned bombers coming into North America. But we fairly quickly got into missile defences against those who were attacking or perceived to be potentially attacking North America. But again, as we got into the sixties, seventies and eighties, it became very clear that there was no possibility whatever of defending against an attack in the sense of defeating an assault on North America. So the focus moved to surveillance, to knowing what was happening in the approaches to North American air space.

• (1120)

All of this has been predicated on the cold war and the proposition that the Soviet Union, which is the only country that had any capacity to attack North America in this way, might conceivably attack North America. We should be prepared, primarily through deterrents to respond to such an attack.

What is now critical for this House and for our country to acknowledge is that the fundamental premise that has shaped NORAD and U.S.-Canada defence relations in respect of North America has completely and unalterably changed.

The premise that has changed is that the Soviet Union has any intention or any capacity to launch an attack on North America. I give you the words of the then Secretary of State for External Affairs on November 28, 1990 addressing a major international conference in Ottawa in which he said the following: "In region after region, on problem after problem, the Soviet Union now brings a welcome flexibility and assessments remarkably similar to Canada's. We see this at the CSCE, in the Pacific, in Cambodia, in Central America, in Angola, in South Africa, Afghanistan and the gulf. We see it in the fight against drugs, in the struggle against terrorism, in the pursuit of arms control. Disagreement with the Soviet Union was once the rule. It is now the exception. What disagreement does exist is often one of degree, not kind, and flows from national interest, not ideological intransigence or ambition. We are no longer enemies. We are no longer foes in a cold war one could win. We are friends. We are partners in building a structure of co-operative security and prosperity in which we all win".

These words were stated in November of 1990. Since then movement has been even more dramatic to underline the truth of the words spoken by the then Secretary of State for External Affairs.

The Soviet Union is no longer a military threat to North America. It retains some marginal capacity. We deal with that problem, not by building expansive defence systems, but by negotiating down, through arms control and disarmament measures, the Soviet capacity to attack North America.

We build in controls that would flow in the break-up of the Soviet empire and we ensure that there is no attack. We also remember that we cannot protect ourselves against the outside possibility of a single madman in the Soviet Union sending missiles to North America or some accident triggering a launch of a missile. There is no possibility, scientifically or technologically, to protect ourselves against that by the kind of system that

NORAD has now in place or any other system that might take place.

The so-called star wars of the United States, the Strategic Defence Initiative, does not even claim a capacity to provide protection against that kind of accidental or terrorist attack.

The time has come to completely review and change our approach to the North American air defence system. The key to how we change that comes in the comments of the then Secretary of State for External Affairs because the time has come for us to begin urgently to build a polar security arrangement.

The Soviet Union now needs our economic and social help desperately. It would not be unreasonable, in fact, it ought to be a required condition of that assistance that the Soviet Union join with Canada, the United States and other polar countries to form a completely different form of security than that which has served us for the last 40 and 50 years and which is now obsolete.

The government has pointed the way to that. I would expect the government to respond more quickly.

Gorbachev himself said in 1989 in Murmansk that this was the direction he wanted to go. The then Secretary of State for External Affairs accepted that in the very speech from which I have quoted, but we have heard nothing from this government since then to respond to those initiatives. In fact what we see is the government renewing the NORAD agreement without any condition as to this being the final term of the agreement. We see no sense of urgency from the government in changing the approach it takes to North American defence.

The government has not done what the committee asked it to do, which was to launch a full public review of these policies. It has remained absolutely silent on that. The government continues to spend hundreds of millions of dollars a year on NORAD. In the current fiscal year we are proposing to spend something in the order of $500 million on NORAD. We have in train a very expensive capital upgrading of NORAD facilities which is costing the Canadian taxpayer $1.214 billion, of which $500 million is still to be spent.

There is no sign whatever of the government getting off the train and saying that the time has come to save Canadian taxpayers this money and to look at different ways of approaching the issue of Canadian sovereignty, of surveillance in the north and of polar security.

This motion calls on the government to start the clock running on the end of NORAD by advising the Americans now that the termination of this agreement must take place and set in motion a process of discussion most particularly with the Government of the United States of America. Clearly one of the key problems is that the Americans perceive that NORAD should just continue as if nothing else had happened.

It is important that we make it clear to the Americans that we see a different future for the north and a different future for Canadian participation in continental security.

The requirements have changed. The world has changed. It is now necessary for the government to change. I would ask the House to endorse the motion that is before it, to give its wholehearted support to it, and to see if we cannot get some of these issues finally moving.

Many questions need to be asked and if I can, Mr. Speaker, let me quote from Ken Lewis, president of Aerospace Industries Association of Canada, who when he came before the committee posed some of the questions, and this is from the aerospace industry.

> Is there a likelihood of an attack by the Soviet Union or others against North America? If so, under what circumstances? If not, what is the threat? If there is no perceived threat, or one of little consequence, should Canada disengage from the joint defence of North America by not renewing the NORAD agreement? If disengaged, what kind of an aerospace defence system would be needed by Canada?

That is the nature of the questions being posed by our aerospace industry. We say to those on the government side who perceive themselves to be friends of the aerospace industry that that industry needs some assurance as to where things are going. The government can no longer keep its head in the sand on these issues. It has to move and this House could give leadership to the government by agreeing to the motion today.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, our Prime Minister has said that Canada does not want to be a super power, just a super country. However, it has been our

geographic fate to have been between the two super powers, the U.S.A. and the U.S.S.R. throughout the cold war. Now that that has changed and the cold war as we knew it has ended, the time has come to reappraise and reinterpret a lot of the relationships that developed during that time.

• (1130)

The resolution before the Canadian House of Commons this morning is a very timely and important one because it deals with one aspect of the furniture of the cold war, the North American Air Defence Agreement, NORAD. I would like to make some general comments as a Canadian, as a parliamentarian, and someone speaking also for the government on this issue.

First I would like to address specifically the provisions of the resolution which the hon. member for Victoria has asked this House to support. There are two elements to this resolution. The first is that the Canadian government should unilaterally notify the United States that we want to terminate this agreement which exists between our two sovereign countries. The hon. member sets an outside date for that of 1994. Then he goes on and says that in the meantime the government should institute a thorough public review of Canada–U.S. defence relations including discussions between U.S. and Canadian parliamentarians.

The member is suggesting that we cancel a long-standing treaty between our country and the United States and then begin to hold hearings, discussions and public debate as to whether or not that treaty is valid, whether it has a continuing role. I cannot understand the logic of giving notice of an intention to annul an agreement today and then calling for discussions about the appropriateness of it that would begin tomorrow.

Second, as I read this motion, I see that this parliamentarian from the New Democratic Party wants the government to institute a public review, including discussions between Canadian parliamentarians and the United States elected representatives. I have a serious problem with that as a parliamentarian. I think one of the great difficulties we find in Canada today is the diminished role of our House of Commons, this Chamber of the people's elected representatives. We have lost our historical position in relation to power, going to the cabinet; policy, going to the senior public service; and public opinion, going to the opinion pollsters.

We have abdicated our role for far too long to these three other elements. It is little wonder that today Canadians have a low view of the Canadian House of Commons because we parliamentarians have not adequately asserted our right, our position and our voice on behalf of the Canadian people.

When we have a motion brought to the floor of the House of Commons by a New Democrat member urging that the government get parliamentarians to have these discussions rather than parliamentarians themselves, who after all populate the committee on defence, who after all have the capacity to debate right here on the floor of the House of Commons, as we are doing this very moment, these important issues affecting the future of our country, then I think this is certainly not worthy of a party that includes the word democrat in its name. I think we can expect better than that from a so-called New Democrat.

These are the problems I have with this motion. These are the reasons I cannot not support it. I do think it is very timely that we discuss this issue and bring into perspective what is happening for our country's future in relation to defence. The hon. member has outlined some of the history of the cold war threat and how the initial response was to manned bombers and with changes in technology shifting that to rocket technology, intercontinental ballistic missiles and, over time, although he did not go into it in great detail, the shifting role of NORAD in response to that.

I think it is important to stress not only the historic evolution, the technological changes and the military and political dynamics in this relationship, but equally the fact that the NORAD agreement itself has not stood still, frozen in time in relation to this evolution. The NORAD agreement has been revised and renewed on six or seven occasions, most recently in April. These have been opportunities to take into account the changing world around us.

If we were so good in the past at being able to negotiate treaty changes with the United States when circumstances warranted, why should the New Democrats throw overboard the whole approach of co-operation and negotiation between two sovereign countries and say now that things are changing yet again, we are no longer going to change the agreement yet again to

reflect it. Instead, we are going to give them notice today that by 1994 this whole agreement ends, it is over, it is done with.

When the New Democrat spokesman for defence was giving the reasons for his motion this morning, I jotted down his fundamental premise so as not to misquote him. He turns a phrase well and argues with logic. He said: "The fundamental premise has changed". The fundamental premise for the NORAD agreement was put in the context of the end of the cold war.

If it is viewed, as apparently the New Democratic Party views NORAD, as existing entirely in the context of the cold war, yes he is right. The fundamental premise has changed. If it is viewed, as I do and as I think other party spokesmen and other parliamentarians do, that the fundamental premise of Canadian foreign policy and the fundamental premise of Canadian defence policy is co-operative action, a shared responsibility, a sharing of the burdens, a sharing of the costs, a collective approach to security, then most assuredly the fundamental principle has not changed.

The fundamental premise of our policy is that Canada does best as a relatively small power in a complicated and aggressive world to share with others through treaties and other arrangements on a shared basis. That is why we are active in the United Nations, why we are in NATO, why we are in the Conference on Co-operation and Security in Europe, the Commonwealth *la Francophonie*, the Organization of American States and yes, even NORAD. This is all part of a piece.

I want to make it very clear that the Government of Canada, now, today, no longer views NORAD from a cold war perspective. That is very clear. We do not view NORAD from a cold war perspective any more. We view this international treaty as we view all of our others, as part and parcel of the well developed Canadian tradition, developed by governments led by Prime Ministers who were Liberal and Prime Ministers who were Progressive Conservative, who felt that co-operative security and playing an internationalist role was the greatest basis for Canadian long-term success and dedication to the fundamental interests and the fundamental values of Canada as a strong and sovereign country.

Hon. William Rompkey (Labrador): Mr. Speaker, as befits a middle of the road party, I am torn on this issue. I see a lot of merit in the motion. However, I cannot support the unilateral termination of the agreement in 1994. I want to say, parenthetically, that if the Liberal amendment before the House of Commons committee that was reviewing NORAD had been accepted, we would only have a two year agreement. I find it very unfortunate that that amendment was not accepted so that we could have realized the changing world and the changing circumstances and been able to review our policy accordingly.

• (1140)

I agree that there is need for review. I accept what the parliamentary secretary has said about sharing. We are a mouse living next to an elephant. It is tough for a mouse to share with an elephant. The elephant has to be a bit more sharing, a bit more caring and a bit more co-operative.

Nobody has mentioned the Straits of Juan de Fuca and nuclear submarines transferring through Canadian space. The Straits of Juan de Fuca are not an isolated incident. We have had similar incidents in the Arctic with American ships going through Canadian sea space, not to mention submarines, but we do not know where they are and we seem to be powerless to do anything about it. Although, high on the Canadian agenda, it seems to me, is Canadian sovereignty. Canadians want us to get control over our own territory and that includes the north.

Co-operation and sharing is all very well and essential. It makes no sense at all for a power like us to be living on the North American continent with the United States and not have a joint defence policy. It is meaningless. It does not make any sense at all. Sure, we have got to have a joint defence policy, but it has got to be a two-way street. We cannot always be saying yes to the Americans and we cannot always be letting the Americans do exactly what they want because that is not co-operation, that is simply subservience. I do not think Canadians want subservience.

There has got to be a fundamental review. I agree that the cold war is over, but let us remember that the threat still remains. I want to quote from the submission of the Arms Control Centre before the standing committee. They say that they support the renewal of NORAD, but they say: "You simply cannot say yea or nay". The threat

may have diminished, but there is still instability. The threat today is not so much the cold war as the instability that exists in that region where the threat from the cold war originally came from, and that is the Soviet Union.

There is still in that area in a time of instability a great deal of armament that is threatening to us. Through no motivation, because the motivation for the cold war and the motivation for attack is gone obviously, but inadvertently, in a time of instability and in an area of instability, there could be a releasing of weaponry that is potentially dangerous to us and that is what the Arms Control Centre pointed out.

It says that it agrees that Canada, in light of that, should renew the NORAD Agreement for two years. It also says that Canada should complement its role in NORAD with a more activist approach to strategic arms control as it relates to air breathing weapons and air defence and to confidence-building measures for the north.

I liked what my friend said and I think he and I were in agreement about the kind of thing that must happen in the Arctic, and the weakness.

Let me deal with one point before that and that is the role of parliamentarians. It is all very well for the parliamentary secretary to say that Parliament must initiate this review. If Parliament is to initiate the review, why is the government having its review on constitutional matters? There is no call for Parliament to initiate a review of the Constitution. The government has a paper, the government gives that paper to a parliamentary committee, it travels across the country, it hears Canadians, it reports, it advises and it recommends. Why cannot the same thing happen in defence?

We have been asking, I have been asking and my friend has been asking, the government for the last two years to initiate, to put down its policy similarly in defence as it has on the Constitution so that we can examine it and so that Canadians can examine it. Unlike constitutional matters, the government has refused to do the same thing in defence matters.

I think it is facile to say that you can do it with the Constitution, but you must not do it in defence.

The government is the government. It is responsible for initiating policy. Our role is to review policy and I think that is what must happen.

In that review, I agree with my friend that we have got to go beyond the present NORAD. There is instability and we have to come to grips with that instability and the need for security in the polar area. We are a polar country and it is time we stopped looking to the south of us so much and started looking to the north. There is an opportunity now for us to do that, for us to change our vision and to go far beyond the present NORAD.

Why can we not have a NORAD of the sea for example? Why can we not have NORAD of the sea? The government policy did not address that at all, did not show any initiatives for getting together. It talked about the Murmansk speech but where is the Canadian initiative for getting the super powers together in naval arms control? Where is the initiative for bringing together the United States and the Soviet Union.

The United States travelling through Juan de Fuca, travelling through the Northwest Passage, still thinks that its role, its right, is to travel anywhere it wants in the world. I think we have to talk about that with the Americans to say there is such a thing as Canadian space and there is such a thing as Canadian sovereignty. Maybe it is time for the United States, in view of the fact that the cold war is over, to look at the policy of the American navy and to see whether in fact it should be defending the United States and maybe the polar region too, but that it is not the naval policemen of the whole world.

Why can we not have in the polar area a security force? There is an Arctic Council that exists now. Canada is part of an Arctic Council and that Arctic Council has taken a very interesting initiative in the environment.

I ask the question: How can you take initiatives in the environment, multinational agreements in the environment, and have them become effective unless you have security? There is no security in the polar area at the present time. Why can we not have a multinational force? Why can we not have, first of all, confidence building measures and then going beyond confidence building measures, a security system like the Arctic

Council in the same way as we have in the environment. Why can Canada not take that kind of initiative, and why can Canada not say to the United States and to the Soviet Union that they, the United States and Russia, Canada, the Danes, the Norwegians, should have a multinational sea security system, a surface and air security system in the polar region. That is absolutely necessary and its time has come.

After all, if we can do that in the Persian Gulf, why can we not do it in the polar area? What we had in the Persian Gulf was in fact a security system, a 16–nation or more security system. It was not attacking anybody, at least in the beginning it was not. It was simply establishing security. By the way, a lot of that was due to the experience of NATO, of which we and the United States are both partners, and part of the success of the gulf was the fact that we had worked together over the years. We knew our communications systems and we knew our strategies and we were operating jointly. If it can be done in the gulf why can it not be done in the polar areas?

That is the kind of initiative I would like to see. That is the kind of review of NORAD that we need. That is why I am in a dilemma. I like the motion but I cannot unilaterally say just to terminate it and let us see where we go from there.

I have to say in conclusion that if our amendment before the external affairs committee had been accepted, we would have only a two–year agreement and possibly we could have supported the motion.

Hon. John Bosley (Don Valley West): Mr. Speaker, I had not realized the matter that was before us until about half an hour ago. I came over because the mover of the motion, the member of the New Democratic Party, knows that I have some interest in the issue of NORAD renewal, NORAD treaty matters, given in fact what did happen in the external affairs committee. I will come back to that in a minute.

• (1150)

Before I get to that, the hon. member for Labrador has made a statement that I hope he did not mean because it flies in the face of some of the things we have been trying to develop around here for some time. I made the note and wrote it down that the government's role is to initiate policy, our role in the House of Commons is to review policy. I know the hon. gentleman has been here for a long time and has been an esteemed member of the defence committee for a long time. I am sure he does not mean what that says, that it is not the role of members of Parliament in the new capacity of committees to initiate policy reviews on their own and to make policy proposals on their own.

I hope that that is what he meant to say, because that is certainly what the committee on which he serves and the committee that I chair regards as our proper role. I think he may have meant that he wishes the government had come forward more quickly with a defence policy paper, and I accept that that is his concern. I am sure he does not want to leave on the record the idea that the only role of members of Parliament is to review government policy initiatives. If that is in fact what he meant to leave on the record, I would be surprised.

He may want to respond to that. I will leave him a minute at the end to respond to that on a point of order, Sir, because that is precisely what he said.

Let me, however, come back to the subject matter that is here. It is true that the standing committee of this House deliberated on the matter of the NORAD renewals here for quite a long time. If I remember correctly, the composition of the joint committee was members of both the defence committee and of the external affairs committee. Certainly the hon. member who proposes the motion today was a member of a distinguished group of members of Parliament who spent some time reviewing this matter. If I remember, they also commissioned a fairly substantial and lengthy piece of research, and on at least one panel I know four experts met. I should say that while I chair the parent committee, I did not participate in the deliberations of the subcommittee but I value the work they did.

That subcommittee commissioned a panel of four experts to prepare a series of papers examining in great detail five aspects of the renewal issue. Those were, specifically, *Soviet Strategic Developments and their Implications, United States Strategic Developments and their Implications, Strategic Arms Control, Aerospace Surveillance* and *U.S.–Canadian Interests in Consultation.*

That panel of experts wrote a long report which they asked our consent later to publish, which we happily gave

them the right to do. In that particular report, Sir, they made a specific recommendation, and I quote it:

> Taking all considerations into account, the panel believes that NORAD serves Canada well and, therefore, ought to be renewed for a further period.

That is a precise quote.

The debate at committee, as the previous member so carefully characterizes it, became a question of is it possible to find some way to agree on a period of time during which the defence policy review and the foreign policy review that we all wanted to see happen could be conducted? In fact, the external affairs committee report specifically recommended a review of policy in both those areas, and we are still interested in pursuing that matter.

I only make this point, Mr. Speaker: At the time we thought we had an understanding. It wasn't that we would pass the Liberal amendment for two, it was that we thought we would be able to agree in the interests of encouraging a defence and foreign policy review, to some period of time less than five years, in order to express our sense that, I think collectively, it could not just be business as usual in the development of policy in the foreign affairs field with regard to security and strategic interests; that the key issue had disappeared and that we had to now find some way to make urgent the necessity to talk about what you do in conflict resolution in the new world order; what do you do in Arctic surveillance issues, and all of the things that the previous member has spoken so eloquently about and knows so well.

Those were the matters that motivated us. As the hon. member for Victoria knows well, there was an attempt to come to some conclusion. He knows full well why we did not get there. I am constrained, because if I remember correctly, those votes were held *in camera* and I will not, therefore, talk about what happened *in camera*. The hon. member for Victoria will know that I believe there was an understanding that was breached in that room. The hon. member knows I believe that. And, so, he will not be surprised. I do know that.

Mr. Brewin: On a point of order, Mr. Speaker. This is a very serious point which the member has made because he has suggested that I know there was a breach of some understanding in the committee. I want to put it on the record of this House that, first, I had no idea that that is what the member believed was the situation in that committee; second, I want to state categorically that there was no understanding whatever on that issue.

There were differences of opinion on the issue of how long we should recommend the continuation of the agreement. I understand that but there was no understanding nor was it my knowledge, until the member just got up and said it, that he believed otherwise.

Mr. Bosley: Mr. Speaker, that is an unbelievable statement.

The hon. member has had five discussions with me on this matter. They started before the committee reported. They began in this Chamber sitting in these chairs. We talked about the possibility of building a consensus around the NORAD report.

I indicated to him and I will indicate it here that there were two or three of us on the government side who thought there was some virtue in the position of recommending a shorter period of time if we could get a unanimous committee report to adopt that position.

The hon. member undertook, and I say it here on the record, that if it were possible to obtain a shorter period of time, three years was the agreed number, he would support a position which said in that case he and his party take it upon themselves to support a NORAD renewal for three years at a time.

I say precisely, without saying what happened in committee, that is what he and I discussed in this Chamber in these two chairs. He knows full well how furious I was because he has heard me personally on this before.

It came time to deal with the subcommittee report which would have adopted a shorter period of time and urged the foreign policy reviews. I am constrained from describing what actually happened in votes in committee.

It was not possible to obtain the necessary majority of the votes in that committee to adopt the three-year figure. He knows why because he was there.

I have never been able to understand how it is possible thereafter for the members of the New Democratic Party, particularly my good friend, when there was a chance in their hands to deliver a shorter renewal period in order to get both that shorter renewal period and the defence policy review, which they chose to say they wanted to meet here, but somehow did not get it, to now

come back and put on the record this motion. It is quite incomprehensible to me.

If people at the time wanted both things, the defence policy review expressed through an agreement on a shorter renewal of the NORAD agreement, they were there to be had. It was not the members of the government side or the members of the Liberal opposition who made that not possible.

NORAD had served this country extremely well, it will continue to serve this country extremely well, and we have every right to try to move our security arrangements into the new world. That is our obligation to our children, and it is not credible to try to have one position on this issue here, and another position on this issue when it is time to deliver in votes and proceedings. I say that with respect.

Mr. Brewin: Mr. Speaker, on a point of order, I simply cannot believe that by my silence on the record of this House, I made any agreement with the hon. member in the terms in which he described them.

There may be an honest difference of understanding of what we did agree to. I will concede without hesitation that we were seeking to try to find some way in which we could get a solid and useful report before the House.

In the end, we did not succeed but I must say categorically, because my friend put it categorically, that his recollection of what we agreed is not mine.

Mr. Rompkey: On a point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): I am not sure that the hon. member has a point of order. I am in doubt.

Mr. Rompkey: Mr. Speaker, I just want to clarify the record. My hon. friend across the way suggested that I had said only the government can take initiatives, only the government can initiate policy and it is the responsibility of Parliament simply to review.

It is quite obviously untrue. An individual member can take initiatives, as my friend is doing today, but let me remind the House the government controls not only the government itself, but committees.

It is very difficult for an opposition.

• (1200)

The numbers are such that the government controls not only the House but the committees. Unless the government is willing, it is extremely difficult, if not impossible, for the opposition to initiate reviews. I suggest to you that while—

The Acting Speaker (Mr. DeBlois): Order, please. The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*English*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

MEASURE TO ENACT

Hon. Doug Lewis (Solicitor General of Canada) moved that Bill C–36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator, be read the second time and referred to Legislative Committee G.

He said: Mr. Speaker, I am pleased to stand in the House today to speak on second reading of Bill C–36 which will create the new Corrections and Conditional Release Act.

There are few issues more emotionally charged or of greater concern to Canadians than that which is at the very heart of this bill, crime and public safety. The need for government action in this area has become increasingly apparent in recent years as public sentiment has been aroused across the country.

Increasing violence in our streets, much publicized abuse and just plain stupid errors in our criminal justice system have aroused considerable and justifiable anger and apprehension among many Canadians. In a nutshell, public confidence in the system's ability to protect society has been severely undermined. There is a very real and disturbing perception within society that the balance is all wrong.

As well, particular public attention is directed to the plight of victims who are perceived as being victimized twice, once by the offender and then by an uncaring system.

This bill seeks to address these perceptions by dealing clearly and forcefully with the issue of public safety. We have made public safety the number one principle in this bill.

[*Translation*]

The interpretation of this one important principle is this—if the release of an offender threatens society, the offender will not be released. The government wants to get a message to two groups. First of all, the government wants to assure the public that from this point forward, they, instead of offenders, will get the benefit of the doubt. The government also wants to send a strong message to all those who work in the parole and prison system that law-abiding citizens come first and that at no time should public safety be put in jeopardy.

Now having said all that, I want to turn briefly, for the record, to explain who is responsible for what in this complex and huge process known as the criminal justice system.

First of all, as Solicitor General, I am the minister responsible for a number of federal agencies but most important and of direct relevance to this bill and the criminal justice system, I am the minister responsible for the Correctional Service of Canada and the National Parole Board. To make the point, I am responsible for criminals after they have been sentenced by a court, and my colleague, the Minister of Justice, is responsible for the Criminal Code and the development of sentencing procedures, both of which are administered by the provinces through the provincial court system.

Members will realize that a great many of the proposals which are in Bill C-36 were put forward last year in the consultation document or Green Paper that was widely distributed called "Directions for Reform".

This document was jointly released in July 1990 by the then Solicitor General, Pierre Cadieux, and by the Minister of Justice, Kim Campbell.

[*English*]

As well, the bill reflects the recommendations of the June 1991 report of the Standing Committee on Justice and the Solicitor General on Bill C-67.

[*Translation*]

This bill contains significant changes concerning parole.

It may come as a surprise to many members—because it certainly surprised me—to learn that this bill represents the first comprehensive review of correctional legislation since the Penitentiary Act was passed 123 years ago.

[*English*]

The proposals set down in this bill come at the end of a prolonged period of study, evaluation and consultation. They are the product of experience. Some of that experience, tragically, is the result of miscalculation, misadventure and the slow widening of deep cracks between components of the criminal justice system.

Historically we have turned away, as we have had to turn away, from prison regimes that produced riots, unending bitterness and an inmate code of permanent non-co-operation. A prison system that represents neither justice nor humanity will not transmit our values to inmates and therefore cannot protect the public.

While we have placed a properly needed emphasis on rehabilitation, we have also seen the development of some very serious deficiencies which have led to some horrific and tragic results. Much work has been done to correct this and we believe the bill has achieved the right balance. Now is the time to act with resolve and dispatch and to take the very best the present system has to offer and mix it with these necessary reforms.

We will put into place a corrections system that will not only protect the public but will serve to rehabilitate and assist those who can be helped. It is a tall order and we think we have it right.

Let me briefly explain the bill, which I concede is complex and not an easily understood piece of work.

Bill C-36 is in three parts.

Part I sets out correctional legislation and is a modernization and a replacement of the Penitentiary Act. In

essence this section provides the prison service, known as the Correctional Service of Canada, with its operating mandate and its rules of operation.

Part II defines the system of parole and the operation of the Parole Board. It will replace the Parole Act.

Part III establishes the office of the correctional investigator in law.

I anticipate that part II, which deals with conditional release, will be of most interest to the House. However, before turning to the provisions of part II, I would like to deal in a little more detail with the essentials of part I and part III.

As I said before, part I tells us how the correctional service will operate and under what rules. It is a complete modernization of correctional legislation, representing a decade of intensive work in collaboration with voluntary and professional groups, judges, Crown attorneys, the police and provincial governments. It reflects recent jurisprudence and the impact of the Canadian Charter of Rights and Freedoms.

Part I also sets out a very important guiding principle, the protection of the public within its statement of principles of correctional law.

• (1210)

Along with this all important principle, protection of the public, there are a number of other principles enunciated in the bill: staff powers, the right of search and seizure, inmate rights, procedural safeguards , principles that compel the different parts of the justice system to stay in touch. Understanding this part of the bill is essential to understanding the entire bill. It is important to emphasize that the principle of protection of the public is fundamental.

Part III of the bill at long last establishes the position and mandate of the correctional investigator in law. Since 1973 this office has operated under part II of the Inquiries Act. Part III clearly describes the correctional investigator's mandate, investigative powers and procedures, which are essentially to act on behalf of inmates who feel that they have been dealt an injustice while they are within the corrections system.

The correctional investigator will have full discretion in determining when and how an investigation will be conducted. The bill establishes the power to hold hearings, the right of access to information and documents, authority to examine persons under oath, and access to correctional premises as required.

In general terms part II of the bill will toughen the existing rules of eligibility for parole, in particular in relation to violent offences, serious drug offences and sexual offences against children. However, as a necessary balance, first time, non-violent offenders will have a chance to gain regular parole when they are first eligible at one-third of their sentence.

It is a curious truth that sometimes society is better protected by moving certain offenders through the system and out of prison faster rather than leaving them behind bars where hope, job prospects and family support can fade away all too quickly. The rationale for doing this, while well supported as a rehabilitative measure, will also allow us to free up almost $1 billion which we spend each year to lock people up. By doing so we can place a greater emphasis on keeping the violent and dangerous offenders behind bars longer. Again, as in part I the protection of the public is the paramount principle.

Since the proposed changes to the different types of conditional release are not easily comprehensible without reference to the existing system, let me quickly set out its fundamentals.

Currently offenders receiving a sentence of more than two years will normally serve their sentence in a federal penitentiary. Under the old system an inmate was eligible for day parole and unescorted absences at one-sixth of sentence, full parole at one-third of sentence and release on mandatory supervision at two-thirds of the sentence. Escorted temporary absences could also be granted from the start of the sentence, although this was rare and release on mandatory supervision could be denied through the operation of a review hearing established under Bill C-67 in 1986.

Most of these provisions in the bill have been altered to reflect our commitment to deal more severely and effectively with violent offenders. We believe that the release for most offenders at one-sixth of a sentence is simply too soon. We propose therefore that the minimum time in prison before consideration for day parole

be set at six months before the normal full parole eligibility date of one-third of sentence.

Furthermore, the purpose of day parole would be limited to preparation for eventual release. Other activities, such as training, attendance at educational or health related programs or work detail, would be transferred to the temporary absence program where release periods are shorter and supervision more intense.

With this change, for example, the minimum possible time in prison for a six-year sentence would be 18 months instead of 12 months. For a nine-year sentence the minimum to be served in prison would be 30 months rather than 18 months. Those serving sentences of three years or less would be unaffected.

The unescorted temporary absence regime will be changed to alter the emphasis from preparation for release to programming and training. Maximum security inmates will not be eligible at all for unescorted absences. The National Parole Board will be responsible for conditional release decisions respecting lifers, schedule offenders and detained offenders who have been classified to other levels.

Additionally we believe that the court, having heard all the evidence and having had before it the police, the victims and the expert witnesses, should not be limited in setting the over-all sentence. Therefore the government proposes a new provision called judicial determination whereby judges will be able to specify that offenders convicted of a schedule offence or a serious drug offence must serve at least half their sentence behind bars instead of the current one-third of sentence before parole review.

We do not propose this role for judges because they have demanded it or even because they favour it, but because they are best placed within the criminal justice system to say whether there should be a higher guaranteed minimum prison term in some cases. This proposal is in recognition of the fact that there is a wide gap in our sentencing and correctional system, to put the problem politely. To put it less politely, the problem under the current system is that judges are seen by the public to set a certain period of punishment and then the parole board later applies a different set of criteria that sometimes result in parole decisions that do not seem to follow the intention of the court.

I acknowledge that this provision places a burden on the courts, but it is one that they alone are equipped to fulfil and one I hope that they will not hesitate to accept and apply where warranted.

Further, I think this provision gives Canadians the assurance that the view of the court will be more accurately respected and reflects the government's view that early release may be just too early in some cases and does not, I hasten to add, signal a change in our belief that parole is an essential part of the criminal justice system.

We have signalled out some offenders for a potentially longer period of incarceration, but we believe that it is desirable that others, the first time non-violent offenders, have a final chance to show that they can and will take steps to straighten out their lives and quickly become law abiding members of society.

This group is the one already most likely to benefit from release on parole at the earlier date, but unfortunately the failure to release them is too often the result of the complexity of the bureaucratic process of determining parole rather than the merits of the case.

Therefore this bill proposes a new provision to the House to be called accelerated review which would set out a more efficient review process for eligible offenders. The process would work in the following way. There would be in the first instance a review of the files by one parole board member accompanied by the recommendation of correction officials. The essential criteria, as with everything in the bill, would be public safety and whether or not the offender has the potential to commit a violent crime if released.

If an offender were accepted under this process release on parole would take place at exactly one-third of sentence. If during the accelerated review, evidence were put forward suggesting that even though the offender was not serving time for a violent offence the potential for a violent offence was there, then the offender would be referred to a full panel hearing for a decision in the normal way. Evidence of the potential for violence might be suggested by a previous conviction which did not result in a penitentiary sentence, behaviour while in prison, or any other factor relevant to future behaviour.

It is important to remind the House at this point that release on parole is not a right but is a privilege to be earned. Parole is a form of conditional release, meaning that any release must be accompanied by supervision and strict conditions which relate to the original crime, the parole location, persons not to be associated with or provisions relating to the use of drug and alcohol. Violation of these conditions may mean a return to prison and future parole determined by a full and very sceptical panel.

• (1220)

The next important changes being put to the House are in the regime currently known as mandatory supervision. Earned remission has with the years become virtually automatic. Other disciplinary procedures such as loss of privileges or confinement in segregation have proven more immediate and more effective.

The Bill C-67 regime itself is an incentive to good behaviour because the potential lengthening of the sentence through absolute denial of remission is far more drastic for the inmate than a slight reduction in earned remission. In effect the entire earned remission scheme has evolved to a point where it is unnecessary and release at two-thirds of the sentence is almost automatic, with the very important exception of the detention provisions.

Offenders on mandatory supervision who violate the conditions of release are of course returned to custody. The first proposal therefore is to recognize the evolution of the system and accept that earned remission has become effectively statutory. Recognizing this formally means a shifting of resources to the programming, classification, parole supervision and security activities which can directly enhance the security of the public.

Second, I propose a further modification of the detention provisions to include serious drug offences which are set out in schedule II to the bill. It is our government's view that the major drug offences, trafficking and importing, for example, do enormous physical harm to Canadians. This violence which often may end in the death of a person is no less violent because it is indirect. Offenders convicted of serious drug crimes will be liable to a hearing if by virtue of their past record continuing associations or links to the prison drug trade it is likely that they would return to the active participation in the illicit drug market.

These same offences, as I described earlier, will also make the offender liable under the judicial determination provision to having parole eligibility set at one-half of the sentence.

Compare this to the present system with the possibility of day parole at one-sixth of the sentence and a very good chance of parole at one-third. Drug offenders often have external characteristics which might suggest good parole performance and release at two-thirds is almost a certainty unless a crime of violence was also committed. The reality is quite different and this amendment recognizes the very real harm that is done to society.

I also want to announce in connection with detention that the government will be adding five new offences to schedule I, all directly related to sexual offences against children. The offences are: incest, invitation to sexual touching, sexual exploitation, anal intercourse and oral intercourse. Adding these offences to the schedule not only means that the offenders could be detained if the harm done and possible repetition were serious, but the offenders would be liable to the imposition by the judge of parole eligibility at one-half the sentence instead of one-third and would not be eligible for the accelerated review process which I described a minute ago.

I would like to turn my attention to the victims of crime. As I said at the beginning of my speech, I believe that victims are often victimized twice: once by the criminal and again by a system that is unable to recognize the trauma and the suffering that they endure. What we are proposing is a fundamental change in favour of victims' rights. As I have set out, the different forms of temporary release and conditional release will continue to be a key element in the reintegration of the offender in society.

However, in the past our justice system has not given enough attention to the anxiety of victims who frequently cannot legally be given information which is essential to their peace of mind and cannot be sure that their voice will be heard once a trial is over.

There are therefore several changes to the operation of the National Parole Board and the Correctional Service that deal with openness of the system and go to the heart of what the victims want.

Provisions I am going to describe add up to the first formal recognition of victims as legitimate and real players in the parole system's decision-making process.

I want to say that I am very pleased to bring forward these provisions. Currently if the victim of a crime writes to me or to the board and asks that a victim impact statement be put before the board, I cannot guarantee that is going to be done. Statements are considered a matter of policy only.

If the request is to attend the Parole Board hearing, the inmate has the right of veto. If the request is to find out when or where or under what circumstances and conditions an inmate will be released, the Privacy Act will frequently prevent a disclosure.

Under part II of the bill these provisions will be changed. In future, the National Parole Board panel that is hearing a case will determine who may attend. The inmate will be consulted but will not have a veto. With the passage of the bill, victims will be entitled to have their statements become part of the inmate file on which the hearing will be based.

Currently, very little information can be released even to victims who want to know if an offender is likely to be released. We are unable because of the Privacy Act even to assure a victim that the offender will not be released, which is frequently the case.

Under this bill, if a victim contacts the board or CSC and asks to be kept informed, he or she can be informed of the release eligibility date, the hearing date, the offender's destination and any conditions imposed. This will apply to temporary absences as well as conditional release decisions.

In addition, the board will maintain a decision register containing information on board decisions and reasons for those decisions. Together, these measures will give victims information about hearings that are relevant to them and contribute to informing the public about parole.

I want to mention one last thing before beginning my concluding remarks and that is the issue of paperwork. Paperwork, whether we like it or not, is at the heart of this very large and sometimes very cumbersome system. With such diverse groups as the courts, the police, parole officers and provincial agencies all working as part of the criminal justice system, the chance for error can be very real. As we know, they can be deadly.

Everywhere in this bill, the emphasis is on the requirement that accurate and complete information be obtained and exchanged between the various elements of the criminal justice system.

There is a requirement that courts provide reasons for sentencing to the correctional system, and that all information collected by the Correction Service of Canada and the National Parole Board be shared.

This will help to ensure an end to those tragic instances in which a failure to keep files complete has led to escape from custody and even murder.

The changes proposed in this bill also complement others currently under way. As members will know, the prison for women in Kingston is being closed. The process for choosing sites for the regional centres that will replace others is advanced. Other changes are being developed as part of the response to the task force on federally sentenced women. Action is also advanced on many initiatives respecting aboriginal offenders, and correctional programming for them is rapidly expanding.

Certain provisions of this bill will facilitate progress on these files but much is under way already.

As I said earlier, this bill constitutes one part of the program set out in the consultation document *Directions for Reform*. When reinforced by sentencing legislation currently in preparation by the Minister of Justice, we will have reformed the criminal justice system from sentencing through to the end of the penitentiary sentence. This is no small feat and it is an issue that I am sure will go a long way toward restoring sagging public confidence in our criminal justice system.

Finally in closing, let me say that I am anxious to work with members from all sides of the House to have as full and effective a committee process as possible. I know that the justice and solicitor general committee members will be thorough, thoughtful and constructive when considering this bill.

• (1230)

I have told everyone I have met, including those many groups I have spoken with, that I sincerely want an informed discussion to take place on this bill. I want the best possible product to come forward from this process.

Therefore I appreciate that the motion was to send it to a legislative committee, but I would think that perhaps at some other time it might be appropriate for the House leader, in conjunction with the opposition leaders, instead to refer this bill to the Standing Committee on Justice and the Solicitor General. I am sure members from all parties with their backgrounds will give the bill a very full hearing. We contemplate the calling of witnesses, a very detailed clause by clause examination, and the bill coming back to this House a refined product benefiting all Canadians and speaking to the public safety of all Canadians.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I appreciate the opportunity to make submissions on Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of correctional investigators.

I suppose an editorial headline in a newspaper in Ontario, the *Whig Standard* sums it up: "The parole system overhaul a big scam on public". That is the headline of an article written on October 12, 1991.

I have been the solicitor general spokesman for the Official Opposition for the last seven years and you will have to forgive me for my cynicism and the cynicism of a great number of people interested in criminal law reform when we approach this particular government initiative with considerable scepticism.

This is the third attempt or the third time this government over the last seven years has said or announced to much fanfare that it intends to reform the criminal justice system. I remember about three years ago, it was just a few months before the general election campaign in November 1988, one of my friend's predecessors, Mr. Kelleher, had a huge press conference at the press theatre on Wellington Street and announced parole reform.

Many of the same or similar headlines were in newspapers right across the country: "The government intends to get tough on parole", "The government intends to change the parole system".

What happened to that legislation? Nothing. Absolutely nothing. It was not even introduced in the House of Commons and it appears obvious now that what the government was engaged in was a public relations scam. What the government is doing this week is again trying to manipulate the process and it is involved in a public relations scam again.

This is crime prevention week. Crime prevention week has been in effect for close to 10 years. It is a week set aside by municipalities and police forces right across the country to focus attention on matters affecting crime prevention.

This government has chosen this week to debate and discuss a number of different pieces of legislation affecting the criminal justice system. We have to ask why the government waited so long. Why has it waited seven years before bringing in legislation to deal with the criminal justice system?

I will speak more specifically about the legislation before the House but before doing so I have to call into question the government's credibility, its sincerity and commitment to meaningful criminal law reform, given its track record over the last seven years.

We know that this government is desperate. The government's popularity is at an all-time low. We know that the Reform Party is now a more popular political party than the governing party. This government is trying to do whatever possible to try to gain some public support. As part of that desperate attempt to gain some public support, it has decided to bring in a series of law and order pieces of legislation, at least to bring them forward this week when a lot of these bills have been on the Order Paper, have been discussed and debated at committee for the last seven years. All of a sudden the government decides that it is going to bring this legislation forward this week.

At the very same time it claims to be committed to criminal law reform, what does the government do? It cuts $2 million in funding for crime prevention week. This week is crime prevention week and this government has decided to axe $2 million.

It is fine for the Prime Minister to go abroad as a buffoon, whether it is in the Caribbean or elsewhere, and write off multimillion dollar loans and grants to other countries. It is fine for the Prime Minister to say that and to try to score some cheap political points overseas, and yet when it comes to programs in Canada that have had a positive effect, the government decides to be chintzy in cutting $2 million from crime prevention week. Groups

right across this country see right through this government's agenda and they have justifiably criticized in a very severe fashion the federal government's credibility and commitment to crime prevention. On one hand, the minister stands in his place today and says: "We are concerned and we are moving with dispatch and resolve", and on the other hand the government has cut $2 million for crime prevention week.

It was a Liberal government that started this program in 1983. It has been extremely successful. Municipalities and police forces right across Canada have come to rely on this federal funding in order to increase the profile of crime prevention week, and here the government cuts it back, totally eliminates $2 million in funding for crime prevention week.

I would like to comment briefly on the government's approach to criminal law reform. Over the last seven years this government has ad libbed its way through criminal law reform. It does not have an over-all plan to fundamentally change or reform the criminal justice system in Canada. The government is in a piecemeal fashion addressing problems, attempting to resolve problems, as they arise in the criminal justice system.

When one considers the legislation presently before the House, a number of bills are not here as a result of an initiative by the Government of Canada. The bills are before the House because the Supreme Court of Canada, in a decision or in a number of decisions, has said to the Government of Canada that it had better start acting, it is a legislator and it is essential that it deal with certain aspects of the criminal justice system.

For example, we have before the House on the Order Paper legislation that deals with the criminally insane. The law was struck down in May by the Supreme Court of Canada. The Supreme Court said to the Minister of Justice: "You have until November 1 to bring in new legislation in order for it to comply with the Charter of Rights and Freedoms". The government obviously had to act. It introduced a bill. It did not act quickly enough and then it had to go, cap in hand, back to the Supreme Court of Canada for an extension. Now the Supreme Court has granted an extension.

• (1240)

The point I am making is that in the area dealing with the criminally insane, the Law Reform Commission over 10 years ago recommended changes. There was a bill some four or five years ago that was considered, and yet nothing happened until the Supreme Court of Canada in effect instructed this Parliament to act with regard to a law dealing with the criminally insane.

Regarding the rape shield law, another piece of legislation or at least a proposed piece of legislation, why is the government acting? Not because it took the initiative and said we have to reform this aspect of criminal law in Canada, but because the Supreme Court of Canada rendered a decision considered to be an inequitable result, a result that does not meet with favour with a great majority of Canadians. The government again has to act in this particular area.

With respect to matters dealing with young offenders, it is not because the government has taken the initiative and has said it wants to reform the law as it applies to young offenders, but rather it is responding to public concern. The minister admitted in his place today that what has sparked the introduction of this bill in the House is not the government's leadership, it is not the government's initiative, but it is because the public is pushing the government into acting and acting swiftly.

Some four or five years ago this Parliament was recalled in the middle of summer to pass Bill C-67, the gating bill, to deal with gating or issuing detention orders. Again, it was not because this government took the initiative and provided the necessary leadership, it was because the public was pushing the government to act. We on this side of the House have been pushing the last seven years for the government to act. I was on the justice committee, and I note that the present chairman of the justice committee is present in the House today. He was on that committee as well.

In the spring of 1987 we began a comprehensive review of the criminal justice system in Canada. The committee reported in August 1988. The title of this report is "Taking Responsibility". It cost taxpayers hundreds of thousands of dollars. This report of the justice committee, which was tabled in this House, had 97 recommendations for reform. It was well received in the criminal justice community across the country. What has it been doing over the last four years? It has been sitting on the minister's desk gathering dust. The government has done absolutely nothing over the last three or four years with this expensive piece of work by the justice committee.

Now the minister comes forward and says: "Well, we want you to do it all over again, we want to send this matter back to committee". The pushing has not only

come from the public and those interested in criminal law reform, but also from a standing committee of this House which has, over the last seven years that I have been a member of that committee, repeatedly demanded that the government take some action with regard to criminal law reform.

At the end of it all, here we are in November 1991 at the beginning of crime prevention week and the government says: "Well, we are taking the initiative, we are going to provide the leadership, and look at what we are doing. All week long we are going to be introducing and discussing and debating changes to the criminal justice system".

That is absolutely no way to deal with criminal law reform; a cynical, manipulative, public relations-driven way of trying to score some cheap political points in the middle of crime prevention week to pretend to the public that this government is concerned about criminal law reform.

I refer back to the headline "Parole System Overhaul a Big Scam on the Public".

Bill C-36 is certainly a lengthy bill. As we can see here and as the minister said, it is complicated legislation. I carefully read this a number of times and I have come to the conclusion that again, as was the proposal in the fall of 1988, it is tinkering. It is tinkering with the criminal justice system. This government has no over-all comprehensive plan to deal with criminal law reform in this country. Again, it is an example of the government ad libbing its way, almost with a blindfold on, ad libbing its way through criminal law reform when what is necessary in this country is some fundamental reform. I am afraid that this government has not approached the problem in a comprehensive way.

The minister says his counterpart, the Minister of Justice, will be introducing legislation dealing with sentencing reform. With all due respect to the Solicitor General, how can the legislative committee or the justice committee that will be dealing with Bill C-36, and the witnesses that appear before the committee, adequately and intelligently deal with reform of the parole system without looking at sentencing reform at the same time?

Therefore, what we have here is only half the package. Correctional law reform is only half of the package because it only deals with people once a judge sentences an offender to a period of incarceration. What we need is the other half of the package at the same time so we can move forward together with a comprehensive proposal and we can look at the sentencing structure in Canada, look at some of the very good recommendations that were made in this report *Taking Responsibility* and to look at ways of changing the system so that the public in Canada starts having some respect and confidence in the criminal justice system.

The sad reality is that today the public has very little, if any respect at all or confidence in the criminal justice system. Is it any wonder when you pick up the morning paper and read about the latest murder or the latest rape or robbery in your particular community?

I picked up *The Toronto Star* this morning, and what are the headlines? "Disabled man slain by intruder in home". The lead paragraph states: "A partly paralyzed North York man was beaten to death in his bedroom by an intruder as his elderly wife ran for help".

A headline right beside it: "Motel guest found by maid is metro's 74th homicide", 74 homicides this year compared to 46 murders at this time last year.

The public is justifiably alarmed at what is happening in our communities and in particular in metropolitan Toronto. I represent a riding in west metro, and my constituents have told me time and time again, and more so now, that they are afraid of what is happening in our community.

Just down the street, a few doors away from my constituency office a few days ago a couple of people walked into an after hours club and shot and killed two people. We see that day in and day out in Toronto, Vancouver, Calgary, Edmonton, Halifax. The crime rate is increasing. People are becoming afraid to walk in their own communities. Women in particular are afraid to walk in the evenings. If you will recall, it used to be a concern walking in downtown Toronto in the evening. Now people are afraid to walk in their own communities. They are afraid to take an evening stroll after dinner in their own community because of a fear that something may happen.

In a community not far from where I live, a business woman by the name of Caroline Case has gone missing. She disappeared a number of weeks ago and foul play is suspected there. I can say that my wife and other people

in our community are afraid to walk alone at night and in fact are afraid to walk in groups.

There is a fear out there, a concern that the criminal justice system is not working. Whether it is justifiable or not, whether the evidence supports the perception that there is an increase in crime and a lack of feeling of security, whether it is justified or not, the reality is that people are afraid. The people are looking to governments, whether it is municipal, provincial or federal governments, to take action immediately in order to at least show them that legislators care about what is happening.

• (1250)

Yet we in this Chamber seem to be preoccupied with the Constitution, Meech Lake here and Meech Lake there, Constitution here and Constitution there. The reality is most people just do not care about the Constitution. They just do not care about constitutional reform.

What they would rather see is this Chamber and members of Parliament talking about the real issues that are of concern to people. They want to see a preoccupation in this House with economic concerns. People want to get back to work. That is one of the key issues that people are concerned about.

The other key issue is crime, law and order. They want to see this government, they want to see legislators, parliamentarians, politicians standing up and talking about issues of real concern to people, rather than simply taking crime prevention week as an opportunity to highlight a problem and then come Friday afternoon all the MPs will board their planes, buses and leave this place and the issue again will be buried on the Order Paper.

Criminal justice reform should be on the agenda every day in this House as long as people are concerned about what is happening on the streets in urban centres and even in rural areas right across the country. Toronto this year will set a record in terms of the number of homicides. As of today there have been 74 homicides in Toronto compared to 46 last year. We are breaking records in metro Toronto. The previous record for murders in metropolitan Toronto was 60 for all of 1987. We are already at 74 murders and we still have two months to go in metro Toronto.

The police estimate that there will be anywhere from 75 to 100 murders this year. We are looking at 25 more people who are living and breathing today who will be murdered, who will be killed over the next two months in metropolitan Toronto alone.

Toronto is number three in per capita violent crimes in Canada. Violent crimes are up 22 per cent so far this year. Some blame the rise in crime on drugs and the proliferation of guns in metropolitan Toronto. I spoke a little earlier about how people feel about walking in the evening. According to a recent poll 56 per cent of women are afraid to walk the streets at night alone. We are talking about streets in their own community and 75 per cent feel that the courts are far too lenient with criminals.

The point is that the public does not have confidence in the criminal justice system, that there is a concern out there and the concern is that the government is not doing what is necessary in order to deal with the problem.

I indicated that the government was not taking a comprehensive approach to criminal law reform and in fact was tinkering with the system. For example, the government by introducing this legislation has accepted that parole should remain a feature of our criminal justice system in Canada. It has not addressed the question of whether or not we should abolish parole all together, as has been done in jurisdictions outside of this country, in particular south of the border in the United States. Should we carry on with parole as we know it today?

I do not believe that we should carry on with the parole system that we have. This government has already accepted that rather than abolishing parole all together, it wants to retain it, tinker with it a bit to change the time periods. This government has not addressed the whole concept of mandatory supervision.

If I can just take a moment to talk about mandatory supervision, I support the complete abolition of mandatory supervision, and let me explain why.

Right now in Canada, if an individual is sentenced to a period of incarceration, they become eligible for day parole after serving a sixth of their sentence. They become eligible for full parole subject to certain exceptions after serving a third of their sentence, and they are automatically released subject to certain exceptions

after serving two-thirds. That is called mandatory supervision.

Even though a judge says that this person is to serve nine years for an armed robbery or a violent offence, the law says that this person should be released after serving only six years, unless the government can show that a detention order should be issued to keep the person detained longer.

When we deal with those who are considered for mandatory supervision, we are dealing with the worst offenders. We are dealing with the bad apples in the system. It is these individuals who cannot convince the Parole Board that they should be released any earlier.

In fact, they are automatically released by operation of law. It does not make any sense at all. Again, is it any wonder that people do not have confidence in the criminal justice system. You have to ask yourself, Mr. Speaker, when you consider these time periods—one-sixth, one-third, one-half—what is the scientific rationale or the reasons why these time periods have been pulled out of a hat to say: "Someone should become eligible for full parole after serving one-third of their sentence".

The government now is saying: "For certain offenders, they should serve at least a half". Why?

An hon. member: There is no real supervision.

Mr. Nunziata: As my colleague says, there is no real supervision once inmates are released on mandatory supervision.

The whole concept of mandatory supervision is an experiment that has failed. It was introduced by a Liberal government over 10 years ago. It just does not work. People confuse it with parole when in fact it is not parole.

This government should have read the writing on the wall and abolished it altogether. That will be one of the amendments that the Liberal Party proposes at committee.

With regard to parole itself, the Law Reform Commission in Canada, a number of very prominent criminal lawyers in Canada, a number of groups and organizations in the criminal justice system have recommended the abolition of parole. It is a far-reaching proposal, but it is a proposal that makes a lot of sense because right now the whole system is warped.

Judges sentence individuals not because of the crime they committed. They sentence individuals trying to take into consideration when the individual might be released on parole and for that reason, the sentencing system in Canada has gone haywire. There is no rhyme or reason to it.

What has been recommended in the proposal that I support is the abolition of parole with some release period, say six months before release that the person be released into the community in order to reintegrate, that that be part of the sentence, that sentencing be reformed so that rather than handing out a nine-year sentence and people only serve five years, let us make the sentence more realistic and bring sentencing in line with reality and inject some certainty.

I note that I have just a few more minutes to talk about the particulars of this legislation. I would like to start talking about some of the specific provisions of this bill.

We will support this bill going to a legislative committee or the justice committee. We support that proposal because a body of expertise has developed. There are a number of members of the justice committee who have been there for a number of years.

We do not support a full blown cross-country tour in order to reacquaint ourselves with the problem. We know what the problems are. We already spent over a year putting this report together. A lot of good work went into this piece of work, and we believe this should form the basis of the committee's consideration.

We look forward to this bill going to committee. This party, the Official Opposition, will be moving a significant number of amendments. We will be asking the more general questions about parole, for example, and whether or not we should continue to hang on to the parole system in Canada. We will listen attentively to groups that appear before the committee. We will also consider some of the specific provisions in Bill C-36, first with regard to the first item that is listened on the government's propaganda here. It says: "Protection of the public will now be the paramount consideration in all decisions relating to the treatment and release of inmates".

• (1300)

What is new, as my colleague asks? Protection of the public will now be the paramount consideration. Has it not always been the paramount consideration? If it has

not been then something is pretty screwy when it comes to the parole system or the penitentiary system in Canada. Yet the government makes it its first highlight as if something new is about to be introduced, that the protection of the public will now be the paramount consideration.

The second point the government highlights is the role of victims in the system. For a number of years I and my colleagues on this side of the House have pressed for more involvement by victims as well as for victims' rights. Victims simply did not have any rights in the criminal justice system. The system was too heavily weighted in favour of the offender. Finally the government is listening, but it has not listened completely.

The government has indicated that victims will be kept informed of an offender's prison and parole status. This is a good point. Information from victims can be considered at a parole hearing. We say it should be considered, not that there should be discretion, if a victim or the families of a victim want to be considered. Then the government says: "Victims can attend a parole hearing at the discretion of the parole board." We ask: "Why should it be at the discretion of the parole board?" At present, it is at the discretion, believe it not, of the offender. The person who is seeking parole, up until now, decides whether or not the victim or the families of the victim can appear before the parole board hearing.

The government says: "We will move a little in the direction of victims and will allow victims to appear or for their submissions to be considered at the discretion of the parole board". We on this side of the House say that the victim should have an absolute right to appear before parole board hearings to make submissions. We also say, and we will be moving amendments accordingly, the parole hearing process should be opened up to the public and to the media.

Right now, the parole system is a system which is behind the scenes. It is a private little affair between the parole board, the offender and a caseworker at a penitentiary. What we say, on this side of the House, is that the system should be open, just as a court case, a criminal trial, is open to the public. In order for there to be confidence in the system, the parole board hearings should be completely open and public so that anyone who wishes to attend can attend and that certain people, and in particular the victims of crimes and/or their families, have the option to attend if they so wish to attend.

A few years ago, I had a call from a constituent who had been raped in her community. She went into the local grocery store to do some grocery shopping. She paid her bill, turned around and who was standing behind her in line but the person who raped her. He had been, just a few weeks earlier, released on parole. If there was an open system where the victim had a right to be represented at parole board hearings that would not have happened. If this person qualified for parole at all, the parole board, in this particular case, as a condition of parole, surely should have said: "You are not to go back into the community where you committed the crime". Surely that should have been a condition. If this woman would have had the opportunity to appear before the National Parole Board, she would have done, and she would have made those submissions

We also have the case of John Rallo who is now in a federal penitentiary. He murdered his wife and two children. He was convicted of three counts of first degree murder. He has served about 14 years of his term. A few months ago, he was seen in the Hamilton area. The parents of the murdered woman were told by others that this John Rallo character was in the community. He was released on day passes. The parents of the murder victim, the grandparents of the two children, did not have an opportunity to appear before the National Parole Board to say that this person ought not to be released. This person, John Rallo, still has not admitted to the crimes, still will not co-operate with the police to indicate where the body of one of the young children was stashed or buried, or whatever. Yet the person is released on day parole. Is it any wonder there is so little confidence in the criminal justice system? If parole board hearings were opened up, that would not happen in the future.

We will be moving amendments with regard to parole eligibility. We will be moving amendments with regard to comprehensive reform of the parole system and the abolition of mandatory supervision.

With regard to the specific provision of the government to delay parole eligibility to one-half of the sentence for those inmates who are violent offenders and serious drug offenders, the government proposes to leave this up to judges to determine. Right now, inmates are eligible for full parole after serving a third of their sentences. What the government says is: "For certain

individuals, leave it up to the judges to decide whether or not these people should have to serve one-half their sentences".

At the very least, it should be mandatory. Rather than giving more discretion to judges when it comes to parole eligibility, there should be less discretion and as a matter of law, if that is the direction we are going, then people who commit certain violent offences and serious drug offences, should be denied parole automatically until they have served at least one-half of their sentence.

We will be proposing a number of other amendments at committee. Some of the provisions in this bill are provisions that we have been pressing for the last seven years, and we will support those provisions. We will be insisting that this government take a comprehensive approach to the problem of criminal law reform. We will want to have all the legislation, all the different aspects of the criminal justice system considered at the same time in order to show that we are serious about what we are doing. We will ask, for example, for a single streamlined system when it comes to corrections in Canada.

Right now there are two systems of penitentiaries, or prison systems, in Canada. If one is sentenced for a crime and the sentence is two years or less, then one serves the time in a provincial penitentiary. If the sentence is two years or more, the time is served in a federal penitentiary. It makes absolutely no sense at all. It is time that the federal and provincial governments get together to introduce a streamlined system so there is a single penitentiary system in Canada. It is an area that has not been dealt with by this government in this bill and we believe that there should be some further co-operation in that regard.

As you know, Mr. Speaker, criminal law is a federal responsibility. The administration of justice is a provincial responsibility. Again we believe that in certain areas there can be some streamlining in order to better deliver criminal justice in Canada.

In conclusion, let me say that the Liberal Party intends to support, in principle, this legislation, not because we support the details of this legislation but because we believe that it is high time this government moves ahead with criminal law reform. A great number of us will be participating at committee. We will be participating in second reading debate. A number of my colleagues will also be speaking. We will be introducing amendments which we believe will make this bill better. We will be introducing amendments which we believe will go a long way in allowing the Canadian public to once again have some confidence and respect and support for the criminal justice system.

• (1310)

Mr. Derek Blackburn (Brant): Mr. Speaker, I am also pleased to participate in this debate today at second reading of Bill C-36 known as the corrections and conditional release act.

I hope I can present a more positive critique of this bill than the previous speaker and I will try not to indulge in the cynicism to which we just listened.

The criminal justice system in this country certainly is not perfect but then again it is not perfect in any jurisdiction of which I am aware. When we are dealing with the criminal elements in our society, particularly the violent criminal elements, it is extremely difficult to balance what is fair, what constitutes, first of all, safety to society and what also provides rehabilitation of those who have committed the offences.

We have to take a long, hard look at what we are attempting to do. There are no fast fixes. There are no easy solutions. The previous speaker made reference to the fact that in the United States they have done away with parole and mandatory supervision.

Let us look briefly at the situation in the United States of America which is statistically the most violent country in the western industrialized world. It is manifestly clear to me, and I think most experts—and I am not one—that the problem of crime in society cannot be solved by simply extending sentences or denying parole or mandatory supervision. If that was the case, the United States should have one of the lowest crime rates in the western world. Instead its prisons are bulging and it has just introduced a bill in Congress which will cost the American taxpayers $25 billion to build new penitentiaries. Yet the crime rate, the murder rate, the rate of rape and violent assault in that country is going up and up and up as the prisons get bigger and bigger and bigger.

It is not a quick fix. By simply extending the sentences and removing the criminals from society, the problem of violence in our society is not being solved. It is manifestly clear that we are not doing that.

We support and always have supported the number one principle of public safety in the criminal justice system: to protect the innocent. We support this bill at second reading. We hope we can improve this bill at committee but we support it at second reading.

We also agree that rehabilitation is important. We agree with the principle that even violent offenders, if we think it is safe, should be gradually released into society if it is possible. In some instances it is not. The Clifford Olson case, I think, is a prime example. There are sometimes when we, regrettably, simply have to throw the key away, as they say, in the interest of public safety.

However, that is not true in every case. The door should be left a little open where it is possible to reform and rehabilitate. We also agree with the additional offences listed in Schedule I and Schedule II to include sexual offences involving children, arson, and serious drug offenders. I am not quite sure what is meant by serious drug offenders, whether it is a quantitative thing, the amount of money involved, or the size of the illicit drug empire.

These things have to be addressed with greater resolution.

While we are on the subject of drug offences, let us not forget that there is a certain hypocrisy in this country. We talk about illicit drugs, hard drugs, heroin, crack cocaine and so on that are devastating. They are devastating to youth in particular.

Let us not forget that tobacco, which is a drug, and alcohol, which is a drug, account for the deaths of 50,000 people a year in this country. Hard-line drugs account for the deaths of approximately 350 to 400 persons. I am not accusing the government of being hypocritical, or any previous government, but that is something that some government is going to have to look at one of these days. I have had some experience as well.

I am not cynical so much as I am perhaps a bit disappointed, because we do have some really basic social problems in our society and other societies that, of course, this bill does not address. It cannot address them, I suppose. But let us not forget, Mr. Speaker, where and how violence begins in our society. Good heavens, the overwhelming majority of violent offenders in our society were born into violence. Their parents were violent. Their parents were either drug addicts or alcoholics, under-educated or non-educated or they were not raised by their parents. They were introduced to crime on the streets as teenagers or even younger. They became exposed to drugs and alcohol at an early age, illiterate, no respect for law and order or authority. These are the ones who end up in our prisons. They end up as serious violent offenders and we are left, of course, with legislating as to what we do with them and how we try to rehabilitate them.

We also, of course, have the problems of people born mentally ill, or people who become mentally ill. There is no legalistic safeguard against that except, of course, medical treatment. Then, of course, we have this whole growing problem in our society of guns, of weapons, and this is on the increase. Violent crime is on the increase in our country, and we have to do something about it. This bill goes part way toward doing something about treating the offenders as well as punishing the offenders.

I hope that the public who are watching today and the public who are reading our speeches or the editorial writers who write editorials will not confuse passing laws, statutes and regulations, with actually tackling the problems in society that create violence and that are acting as a momentum to the increase in violent crime. This bill will not do that, or it will do very little to prevent or to ameliorate that situation.

It seems that you cannot turn on television these days at any hour of the day without seeing violence portrayed on television, violence against women, sexual violence, violence against children. It seems that you cannot sell a program, you cannot get advertisers without that kind of story being portrayed in all its ugly graphics on television.

That is something else that knowledgeable people, experts, psychiatrists and psychologists in the field are telling us more and more, both in the United States and in Canada, that that kind of programming is bad for young people to be subjected to. Yet I do not see us regulating. I do not see this government or any other government bringing on stream regulations that would try to reduce that impact by regulating the kinds of programs that the young people in our country are subjected to today.

At the outset I am simply saying that in tackling the problem of violent crime in our society, it is one thing to keep prisoners in jail longer. It is one thing to add to the list of violent offenders, the types of crimes they commit. Unless this government is completely committed toward newer and better programs of rehabilitation, unless it is committed to really getting to the very core of the problem of violence in our society, it will make very, very little difference whether an offender spends one third of his time before parole or one half of his time before parole in jail.

• (1320)

Bill C-36 introduces changes to the rules of parole eligibility, making it harder for violent and sexual or drug offenders to obtain parole releases. Unescorted temporary absences will be denied to the most serious offenders. Day parole will be intended specifically for preparation for release before parole eligibility.

That may be good, but let us take a look at some of the statistics. For example, under the heading "Successful completion of escorted temporary absences" presently, without this bill, we have a 99.93 per cent success rate. Also, unescorted temporary absences, a 99.18 per cent success rate. So, let us not be in too great a hurry to throw everything out the window and start over again. Our system is working.

The unfortunate thing and the very tragic thing is that every now and then somebody gets through it and commits a heinous crime. Gingras is one very good example, Legere is another one. He was just convicted, I believe, over the weekend for murdering four people while at large. There are others. I am not saying that this is all part of the success rate. We have to think about the other 99 per cent as well.

I believe that inmates have to be gradually reintroduced into society. If you are going to throw the key away, their expiry date is still going to come. I would suggest to members of this House that it is better to try to rehabilitate, it is better to encourage inmates to rehabilitate themselves and to release as many as possible, as safely as possible. Risk management is not an exact science. Let us face it. It is not exact. But at least attempt to get as many through the system as is reasonably possible, based on all the criteria available. That is better than to keep them locked up for their full sentence, knowing they are going to come out anyway, probably in some cases animals, certainly more animalistic than they were when they went in.

The highlights of the bill have been mentioned already. I do not want to repeat them here. I want to mention the clauses of the bill that we are prepared to support and mention areas where we are convinced that change or additions have to be added on to the bill.

We support the tougher criteria of the detention provisions of the parole process, making it harder for violent criminals to get out on parole.

We support the opening of the parole process so that victims may have an input into that process.

We support the streamlining of communications between the judiciary, Corrections Canada and the National Parole Board.

While I am on this topic, I differ with the previous speaker, the hon. member for York South—Weston. I want as full a committee process as possible. I want to listen to many groups and individuals, expert and non-experts. If it means going to the west coast or the Northwest Territories or the east coast, I am going to support that.

I am going to push for that. The member said he has been a member of the justice committee for seven years. Maybe he is tired of looking at penitentiaries. I do not blame him. I was a member of the defence committee for six years and I do not want to see another naval shipyard for a while either. If he does not want to move with the committee, he can send a replacement. That is no problem there.

What we are concerned about is basic government policies with respect to the changes introduced in this bill: rehabilitation, drug and sexual offender programs, skills programs, upgrading programs and so on. Programming is very important.

I know you can take a horse to water but you cannot make it drink. I think we can do more in our system to encourage those people behind bars to take advantage of the rehabilitative process. If they do not take advantage and learn from it, that is another matter. I am convinced with greater resources, and this means more money, time, effort, commitment and personnel, it can be done. It certainly can be improved upon.

It means that resources have to be properly assessed to make absolutely certain that those resources result in the proper people being released prior to expiry and as few mistakes as possible made. There will be mistakes. I cannot argue on this side of the House and condemn the government, or any government, when a mistake is made in terms of a person going out and recommitting. As I said a moment ago, it is not an exact science. You do not know. You have not got 100 per cent proof that somebody will not recommit.

The statistics again are very interesting on this point. For example, the figure of those who are in breach of parole, that is for technical reasons, is only 18 per cent. That is a lot but they have not recommitted. Eighteen per cent of those people who are on full parole break the parole agreement and therefore are recommitted.

Twelve per cent reoffend. That is high, I know. If your son or daughter or your wife or your loved one happens to be one of the victims of that 12 per cent, it is damn serious and it is very tragic but I do not know how you establish or write a perfect system in this respect.

I want to see a greater number of National Parole Board psychologists. National Parole Board staff competence has to be improved upon, certainly in the face of allegations of massive patronage appointments of completely inexperienced, unqualified staff. We are going to have some amendments here.

It is not right that somebody who goes out and knocks on doors for a government candidate ends up on the National Parole Board as a temporary or a part-time member of that board, or ex-MPs for that matter who probably have no experience in that field at all.

I do not like the idea. I am not mentioning political parties. It can be and it usually is. When the Liberals are in, they appoint Liberals. When the Tories are in, they appoint Tories, and when my own party is in at the provincial level, we appoint too damn many New Democrats.

I am not being hypocritical on this issue. What I am saying is that people should be appointed according to their ability, their merit. Let us get rid of this old patronage system which has existed for far too long.

I said a moment ago that all parties at all levels do this. It has got to be addressed and can be addressed in this bill. There will be an amendment on that.

There should be a careful review of the details of this complex bill in committee, which I mentioned a moment ago, and the participation of members of all communities interested in and involved in the criminal justice process from a corrections and a parole point of view.

This brings me to a very vital omission in this bill. Quite a bit has been said lately about native problems in relation to the criminal justice system. We are making some progress.

The Six Nations Reserve which used to be part of my constituency now has its own police force and it is doing an excellent job.

• (1330)

We are making some progress on the law enforcement side of it. We are making very little progress on the corrections side of it.

My personal view is that we should be looking much more seriously at a separate corrections system for native offenders. I am not totally convinced yet that it should be a separate system but we should be much more serious and much more vigilant. We should be looking at it much more seriously because I am truly convinced, when you consider that aboriginals in our country make up about 2.5 per cent of the total population and yet 10 per cent of the prison population in Canada are native Canadians, that something is wrong. We are somehow not addressing the problem.

The Acting Speaker (Mr. DeBlois): The hon. member's time has now expired.

Mr. Blackburn (Brant): I was wondering if I could have three or four minutes more.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent.

Some hon. members: Agreed.

Mr. Blackburn (Brant): Thank you, Mr. Speaker, and I thank my colleagues. I will finish just as quickly as possible.

The native community, I think, has to be brought into the process. I am anxious to listen to as many native community leaders as possible with respect to the correctional system and how it impacts on natives in our

system. I am also deeply concerned about women in the prison system, women offenders, and whether the programs are adequate. I do not think they are in many cases. I hope that this bill, through amendment, will have a positive impact in this category.

We are also going to have to do something about increasing the number of experts in the whole system itself. We just do not have enough trained people to work with severely disturbed inmates, severely handicapped inmates and the violent offenders.

I know that in psychiatry and in medicine and in psychology this part of their regiment and this part of their professional field is one that most shy away from. There is not much glamour and money in it and many of them treat it as an almost hopeless dead-end kind of professional practice. It does not have to be that way. We have to encourage more and better people to become involved in the correctional service and also with the National Parole Board itself.

Those are some of my concerns about this bill. I simply want to conclude by saying that there is much more I would like to have said but I do not want to indulge on the time of the House because I know my time is up. All one has to do is watch the American TV programs. Every state prosecutor and every judge who is up for re-election in New York state says: "I am tough on law and order. I put *x* number of people away behind bars. I kept *x* number of people behind bars for 20 years or 50 years or whatever it is".

Keep in mind that politicians can very easily stand up at election time or just before an election or in a pre-election period and preach the virtues of being tough with offenders in society and yet if you look at the reality and, as I said at the beginning of my speech, at the real causes of crime in our society, it is little wonder that we are really emphasizing the wrong thing.

We are not really getting to the causes of crime before it is committed. We are not trying to do something about poverty, about slums, about lack of education, violence on television, violence in the home, sexual molestation in the home. All of these things are what ultimately lead to the prosecutor, the defence attorney and the judge. We are left, we meaning the Correction Service of Canada and the Parole Board, with finding a way of trying to deal with these people so that we can bring them back into society as law-abiding, useful citizens.

Longer sentences, the absence of parole, supervision and no release before expiry, are not going to reduce the crime rate. I do not have any divine knowledge on the subject, all I have to do is look at the facts and figures before us in the media day in and day out to know that in the United States and in other countries that is not the case. You can be tough on law and order in the courts and in the jails and yet the crime rate continues to increase.

In conclusion, one of the profound ironies of the 20th century is that Europe, which gave the world two great world wars in which millions of people lost their lives, innocent civilians lost their lives, is a far safer place to live at night on the streets no matter where than the western world which has been at relative peace in the political sense, in terms of war. Violence on the streets is increasing, violence in some areas of the United States is virtually out of control and now there are indications that in our larger cities in particular in Canada, violent crime is not out of control, but it is certainly on the increase and causing the citizens of our country grave concern.

Our number one concern is public safety, but we are also very concerned that this bill does not mislead the public, certainly at second reading, into thinking that by simply passing it we are somehow going to reduce the crime rate. It is going to take a lot more than that.

Mr. John Nunziata (York South—Weston): Mr. Speaker, the member seemed to misrepresent my position with regard to parole and the whole issue of whether parole should be abolished altogether. I should remind the member that the Law Reform Commission of Canada and a number of other groups in the criminal justice area have debated and discussed the idea of the abolition of parole. A number of prominent criminal lawyers have recommended the abolition of parole. Inmate groups have also supported the abolition of parole. The inmates do not like the uncertainty that is associated with lengthy sentences and the uncertainty of when they might be released on parole.

To accompany the abolition of parole, I am sure the member will agree, and he is not misrepresenting my position, you would have to reform sentencing at the same time. Let me just take a hypothetical situation. If

we are dealing with armed robbery, the average sentence may be nine years. The average length of time served in a penitentiary may be four or five years. Those who are advocating the abolition of parole say when you abolish parole you would also bring into line sentences so that you would take the average length of time served and make that the new sentence for armed robbery, for example. The maximum sentence for armed robbery would become five years as opposed to nine years.

I am not advocating lengthier sentences in a general way in the abolition of parole but rather the abolition of parole with a reform of the sentencing structure. In certain areas sentencing ought to be reformed and sentences ought to be increased. For example, if you drink and drive in Canada and if you are convicted for the second time, you automatically serve seven days or a week in jail. There is a mandatory period of incarceration, and yet if you are caught for the second, third, fourth, fifth time and convicted of selling drugs to kids in school yards, there is no minimum sentence. It does not make any sense at all why a drug pusher should not be treated at least as severely as someone who drinks and drives.

An hon. member: At sentencing.

Mr. Nunziata: At sentencing, that is correct.

An hon. member: We should reform that too?

Mr. Nunziata: The reform should be here now. Let me close by asking the member a question with regard to the position of his party. The New Democratic Party traditionally has favoured, or its philosophy is more supporting of, inmates rather than the protection of society. What I sense from the member's submission is that he is not seeking greater rights and more lenient sentences for inmates. He is not recommending that our prisons be emptied.

There seems to be a shift in the position of the New Democratic Party toward an emphasis or priority placed on public safety and that aspect of the criminal justice system. Perhaps the member could comment.

• (1340)

Mr. Blackburn (Brant): Mr. Speaker, I thank the member for his question. I want to make a point very clear, that where we have advocated lesser sentences or greater acceleration through the prison system, is in the non-violent area. We believe, and I continue to believe, that we have far too many people in prison today who could be released and be no threat to anybody else in society. I am not saying they should be free, but we believe that they should go through the system faster, to halfway houses, do community service work, do public service work. If they are found guilty of very large frauds or serious frauds, so-called white collar crime, maybe at sentencing a prohibition of staying out of the business community for three, four, five years after release could be part of the sentence. We still maintain that there are people behind bars today who should not be there because they are non-violent and they would not be a risk to society.

We have never been opposed to being severe in our sentencing of those who are violent and those who continue to show violence while they are in the prison system. We do believe that no matter how mean or miserable a human being may be, and we are not perfect beings—and as one philosopher said, we are the only beings capable of reason and not rational beings—we still think that there is often hope that people will rehabilitate themselves and can re-enter society. Emphasis should be put on that, but not ahead of public safety and the security of law-abiding citizens, but that other process should be part of the correctional system.

That I think is very important and that is our position on it.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to ask the member for clarification in his response to my colleague from York South—Weston. He seemed to be suggesting that white collar crime was not really putting society at risk, there was not as much of a danger. It seems to me that if we send out a signal that white collar crime is not as serious in the community, we tend to promote the idea that someone will tamper with this white collar crime because the sentencing is not as severe, and even if that person is sentenced there is really no form of incarceration or no sentencing that is going to have a sustained penalty.

White collar crime is really serious in this country today. If we send out a signal that we are not going to really consider this crime as just as dangerous to society

as some of our other crime, we are not going to do anything about minimizing its presence.

Mr. Blackburn (Brant): Yes. I am not suggesting for a moment that white collar crime is not important and does not hurt people in a material way. I am suggesting that there are other ways of punishing many of those who have offended as white collar criminals other than putting them in our prison system. That is what I have said.

Repayment is one way of doing it, if it takes a lifetime. My God, what a sentence to repay the money stolen by fraud or by cooking the books.

I also want to make it very clear that I am not including organized white collar crime in that category.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, having been a prosecutor and a defence counsel, I am hard put to find out where exactly the member is coming from. It seems to me that what he is really saying is he likes the status quo just the way it is in the criminal justice system, in which case I would ask him if he has ever spoken to a victim or to the family of someone who has been raped or murdered. What planet is he living on when he gives a speech like that?

The Acting Speaker (Mr. DeBlois): Very briefly, the hon. member for Brant.

Mr. Blackburn (Brant): Mr. Speaker, I am very glad I only have a brief time. A question like that really does not warrant any kind of intelligent answer.

I am just as concerned about the hapless victims of violent crime as any other reasonable human being is. The question, as phrased by that member, unfortunately is all too common from that seat and is not worthy of a responsible answer.

Mr. Bob Horner (Mississauga West): Mr. Speaker, I understand I am allowed 20 minutes. I only have 15 minutes before Question Period resumes. I hope you will allow me time later to finish. I will do my best to tell the reasons why I am supporting this bill fully, the corrections and conditional release bill.

The role of government is a lot of things, such as providing a framework for economic prosperity, providing infrastructure to support all citizens in their efforts to develop skills in order to play an active role in society, and providing social programs to provide the basic needs for Canadians. It must also provide a system of fair laws that are enforced by the courts and police and provide for the safety and well-being of our people. It is this issue of safety of security of Canadians that we are addressing today.

For the past seven years, since I was elected in 1984, I have served on the Standing Committee of Justice and the Solicitor General. For the past two and one-half years I have chaired that committee.

It is a great honour for me to chair that committee, because it is the first time in the history of Parliament that committee has ever been chaired by someone other than a lawyer. I am not a lawyer. I will admit that lack of legal knowledge is somewhat of a hindrance in that capacity.

However, I do have great support from the legal system such as the very fine clerk who is a lawyer and some people from the Library of Parliament who are lawyers and who assist me and make it very easy for me to operate this committee. I am very hopeful that this bill will be referred to our committee because I feel we have an area of expertise developed through which we can give a fair hearing to this bill.

I listened with great interest to the Solicitor General, the hon. member for York South—Weston and the hon. member for Brant giving their various positions. Some of them surprised me.

I joined the justice committee the same day as the hon. member for York South—Weston. He talked at great length about the *Taking Responsibility* report which was a unanimous report of that committee. At no time did that report say we should get rid of parole or mandatory supervision. As a matter of fact, it stated we should keep parole and mandatory supervision.

Now he says that he believes we should get rid of them. I do not believe it will serve any purpose. During crime prevention week this government is moving to bring in bills that I have been advocating since the day I came here.

People will agree that the most interesting work that MPs carry out is the work of standing committees. I also have found it rewarding, but sometimes frustrating. Frustration comes when, after months of research and hearings, a document is produced and tabled in Parliament and it receives limited acceptance from the

government. We have had this happen. It happened with numerous situations we have studied.

I have openly criticized the government for failing to adopt the recommendations produced by committees, not only the justice committee but other committees. These reports collect dust in a maze of bureaucratic bookshelves. This is not the case with this bill.

Let me explain exactly what happened. We were asked by an order of reference from the House of Commons to study Bill C-67. We studied it. We came up with 16 recommendations. We tabled a report in the House of Commons. The government came back and accepted 13 of those recommendations and many of them have been integrated into Bill C-36, the corrections and conditional release bill.

• (1350)

Canadians have always felt threatened by a parole system that jeopardized their safety. Other people have spoken of the Gingras case. It is absolutely ludicrous that we should have a justice system where a murderer, who is known to be dangerous, should be allowed to go to the West Edmonton Mall to celebrate his birthday, overpower a guard, and murder two more people. One man was shot in the back of the head, execution style, and a young girl was strangled with her own shoelaces. This is a terrible, terrible situation.

There has been reference to the Legere case. There were mistakes made there. It is no wonder that the public does not have confidence in the judicial system, in the penitentiary system that they should have.

There is talk about a 99.93 per cent success rate. Any failures are too many and this bill goes a long way.

Let me tell you other things the government is doing. The importance of public safety is reflected in other areas. The firearms legislation restricts possession of dangerous weapons and provides better screening of firearms acquisition applications. Surely that will help. It is supported by so many people, the police chiefs association, among others. We are bringing in amendments to the Extradition Act to allow a more streamlined extradition process to prevent criminals from using our courts to avoid facing criminal charges in other countries. Is there something the matter with this? Why should Canada keep Charles Ng and Joseph Kindler in this country?

Who is bringing it forward? This government is bringing it forward. Canadians have witnessed a disturbing increase in violent acts carried out by young people. Bill C-12 proposes amendments to the Young Offenders Act allowing the courts better flexibility in sentencing youths who commit murder. Bill C-30 is before my committee right now. We will be meeting Wednesday morning on clause by clause study. We hope to report to the House very soon. There was great to-do made about being late. We were late not because we could not have reported on time, but because committee members would not come out and go through clause by clause. That will be done Wednesday morning. I just want to point that out to the hon. member for Port Moody—Coquitlam. I hope he will be there Wednesday morning at 8.30.

Our commitment to public safety is clear and is reflected not only in Bill C-36 but in these other bills as well. I do not need to go through the highlights of this: the victims of crime to be formally recognized, judges may delay parole eligibility of violent offenders and serious drug offenders to half the sentence, and so on.

Other members have gone through a review of the literature on this thing. Let just read you a few of these things. I am quoting from *The Ottawa Sun* of October 10, 1991:

> But remember we are living in a world where justice reform continues to move, sometimes rightly, it must be said, in the favour of the accused and the convicted. It is an achievement for the Tories to come up with a bill that would increase sentences for violent offenders and give victims a bigger say in how long they stay in jail.

This is the important part. He is referring to the fact that it took this Tory government to make even these few changes in favour of victims. "Mr. Nunziata", and I am quoting so I have every right to use his name, "can call the proposed legislation weak-tinkering by a weak minister, but it was the Liberal years in power which led to the tipping of scales in favour of criminals. While the NDP has given cautious approval to Lewis' bill, judging by the party's general policies, one suspects they would have followed the Liberal route if they had ever managed to gain office".

I will grant you there has been a terrible increase in crime. Last year there were 270,000 violent crimes in Canada, well above the 219,000 average for the 1985 to 1989 period.

There were 60,101 youth cases heard in Canada, 9,013 for violent offences, an increase of 14.7 per cent. This is why we have to bring in amendments to all of these bills.

I just want to go through what some people say about this bill. Gary Rosenfeld, executive director of Victims of Violence International, said in an interview from Ottawa that the proposal is a helluva step forward. He is confident that most government and opposition MPs will support it.

In *The Times Colonist* on Saturday, October 12, 1991 it is described as sensible and overdue.

> The bill which Mr. Lewis said could be law by next spring is being described as the first comprehensive review of the Penitentiary Act since 1868. It also proposes the greatest changes in the parole system since the Parole Act was passed in 1958.

We heard this morning that the hon. member had a chance to read *The Toronto Star.*. I wonder what other papers he does read. But *The Toronto Star* cannot find anything wrong with the bill. It did not say anything bad about it. Even the *The Toronto Star* cannot say a bad thing about it. "Tougher parole planned". Not a bad thing about it.

Mr. Milliken: Is this a speech or an apology?

Mr. Horner: It is certainly not an apology. It is no apology at all. It is an apology for what your government has done to take away victims' rights. I want to tell you that the only way to wipe the smirk off the criminal face of this nation is to come down hard and long.

> What we were pleased to see in Lewis' bill, however, is the recognition of victims' rights finally. Their voice should be the loudest voice heard.

I could go on and on with these reports from what various people say about this bill. As legislation goes, this is not a highly partisan issue, at least it should not be, and the Lord knows there are enough lawyers in Parliament to offer ideas. The ideas will come when this bill goes to committee.

I would recommend that without further speakers we refer this to the Standing Committee on Justice and Solicitor General. Let us make the few small amendments we have to make. Mr. Speaker, I would like to recommend that this bill be referred to—

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to refer Bill C–36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator, to the Standing Committee on Justice and Solicitor General?

Some hon. members: No, no.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent.

Mr. Dennis Mills (Broadview—Greenwood): The member seemed to suggest that we on this side of the House were not supporting the general thrust of this legislation. I would like to clarify that. For our side of the House, we are supporting reform here. However, we also believe there are areas in this package that can be improved.

I have a specific question for the member. Do you not find it a little bit contradictory that during this week of safety in the streets, crime prevention, we come before the House with all kinds of legislation, yet at the same time you cut the budget by $2 million in terms of a National Crime Prevention Week? Is there not a little bit of a contradictory action there?

Mr. Horner: Mr. Speaker, we do not like to see any reduction in the moneys that will be spent for National Crime Prevention Week. We certainly abhor having to make these deductions, but we were left with an horrendous debt which must be reduced. I am convinced that these bills which are before Parliament now will do an awful lot more towards reducing crime than the $2 million given to interest groups would have ever done.

Mr. Speaker: It being two o'clock p.m., the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

CRASH OF HERCULES AIRCRAFT

Mr. Jack Iyerak Anawak (Nunatsiaq):

[*Editor's Note: Member spoke in Inuktitut.*]

Mr. Speaker, today I rise to honour the victims of last week's Hercules air crash on Ellesmere Island.

I also want to pay tribute to the rescue team. This tragic event of life and death and survival is filled with

heroism. We know from the survivors that there was courage and caring and selflessness of the highest order.

We honour all these brave men and women, those who lost their lives, those who survived and those who gave their lives so that others might survive.

We honour those who risked their own lives in the rescue efforts. We honour Captain John Couch and Master Corporal Roland Pitre posthumously, Captain Wilma Degroot and Sergeant James West for their heroism and bravery.

Our sympathy is extended to the families of those who did not survive.

With great respect and admiration, we salute these truly Canadian heroes.

* * *

[*Translation*]

PRIX BILCOM 1991

Mrs. Suzanne Duplessis (Louis-Hébert): Mr. Speaker, Saturday night, at the 16th Annual Convention of the *Gens de l'air*, it was my privilege to award the *Prix BILCOM 1991* to Didier Féminier, a federal public servant.

This award is in recognition of his skills in French and his efforts to promote the use of French in his profession, in the field of aeronautics and aviation technology.

He has produced, in French, a number of outstanding manuals highly prized by aviation professionals, and has always tried to promote full recognition of the French language at work.

Our sincere congratulations to Mr. Féminier and to the two winners of the *Prix Roger Demers*, Pierre J. Jeanniot and Pierre Rivest—

* * *

[*English*]

ATLANTIC LIVESTOCK FEED INITIATIVE

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, for the last year and a half, the farming community has been waiting anxiously for the Atlantic Livestock Feed Initiative phase II agreement, better known as ALFI II.

This program was put in place in order to help Atlantic farmers reach self-sufficiency in grain production. It is extremely important for the future of agriculture in Atlantic Canada.

At the present time, Atlantic farmers pay a lot more for their feed grains than other Canadian farmers because of the very high transportation costs. ALFI II will help our agricultural community to become less dependent on transportation costs.

A couple of weeks ago, the Minister of Agriculture decided to maintain the ALFI II program for Newfoundland, Nova Scotia and Prince Edward Island.

I call on him now to make a positive decision for New Brunswick because Atlantic Canadian farmers are awaiting his decision.

* * *

CRIME PREVENTION WEEK

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a statement.

Before I give it, I would like to acknowledge what the member from the Arctic said. I hope the government or perhaps even the Speaker as well would speak on behalf of the House for that heroic rescue.

My statement is on another matter.

The government announced a law and order agenda for Crime Prevention Week.

Canadians want strong measures to keep our country safe, but this Conservative agenda is as phoney as a $3 bill. I call it the blue box agenda. All these measures are basically recycled bills.

The Young Offenders Act, Bill C-12, was tabled in 1989 and cleared a committee a year later. It could have been called any time in the last year.

The same with the mental disorders act. It was drafted in 1986, and only a court decision forced the tabling. Also, with extradition, it is being delayed. Gun control is being watered down to satisfy the gun lobby.

If you want to prevent crime, let us be honest: You tackle illiteracy, you tackle child abuse, you tackle poverty and unemployment, you control guns and you face up to the problem of domestic violence.

That is the way to tackle crime, and the government should get serious about it.

* * *

STEWIACKE, NOVA SCOTIA

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, for decades the residents of Stewiacke, Nova Scotia have been fighting for improved safety at the very dangerous rail crossing in their town which has been the scene of many accidents, injuries and deaths.

I am pleased to report that the system works. Even though Stewiacke is not a major city, not even a major town, it got the attention of the Minister of Transport and his officials who have just announced that safety will be improved at this crossing. The plan includes a realignment of the intersecting roads, the installation of barrier gates and an educational program for students in the area. A cost-shared program has been proposed with the federal government assuming 80 per cent of the total cost. On behalf of the people of Stewiacke, I want to thank the Minister of Transport for his personal attention to this matter and the quick and positive action which will now result in a much safer crossing.

* * *

THE ECONOMY

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, seven years ago today the Tory government released its blueprint for action: "A New Direction for Canada: An Agenda for Renewal". That document urged that Canadians brace themselves for unbounded prosperity. Their new government was to ensure that Canadians could compete on world markets. Indeed, that same view was widely expressed by the Prime Minister during the election campaign in 1988.

Canadians know that prosperity is not unbounded. We are in a recession. The government's plans for increased competitiveness have led to the deindustrialization of Canada's manufacturing heartland. After seven years of gross mismanagement, the government has finally realized what Canadians have known all along. Its policies have been disastrously wrong.

Now it will spend $25 million of our money asking Canadians to tell it what it should do. This is not a government capable of leading anybody anywhere. Before it wastes any more money, it should resign and allow the people to elect a group of men and women of ability, many of whom now sit on the opposition benches in this House.

* * *

CANADA CAREER WEEK

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, a high school student put it very well when he said: "Be cool, finish school". Canada Career Week is being held November 3 to 9. As part of the national stay in school initiative, Canada Career Week theme is "Start to finish". The emphasis is on students finishing high school and pursuing post-secondary education in a career he or she has chosen.

By the year 2000 it is estimated that two-thirds of all new jobs will require at least grade 12 schooling, and fully 40 per cent will require 16 years of schooling. These statistics only serve to illustrate the need for the government's stay in school program.

This government will continue to promote this initiative by strengthening partnerships between business, educators and young people. Youth are our future. We must ensure that they are well prepared to meet the challenges of the 21st century.

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MIGRAINE AWARENESS MONTH

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, November is Migraine Awareness Month. Migraine is a far more serious and costly condition than many imagine. Almost 3.2 million Canadians over the age of 15 suffer from some form of migraine. Doctors are still unsure about what causes the attacks. Seventy-seven per cent of migraine sufferers have had to restrict their normal activities because of an attack.

There is currently no universally effective medication available for migraine, although many migraine sufferers can learn how to recognize what triggers the problem and regain control over their lives. The occurrence of migraine in Canada has a significant economic impact. Almost 4 million work days a year are shortened or lost due to migraine, resulting in an annual work place productivity loss of almost $500 million.

The purpose of Migraine Awareness Month is to focus public attention on this devastating problem. I urge all

members of Parliament and all Canadians to support the Migraine Foundation in its efforts to promote awareness of migraine and the appreciation of its impact on its sufferers, their families and on society as a whole.

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CROSS-BORDER SHOPPING

Mr. Ken James (Sarnia—Lambton): Speaker, I rise to express my concern about a federal government employee passing on to the media that the federal government might be considering a fee to be paid by cross-border shoppers to help pay for the emergency farm aid package. Today I would like to voice my strong opposition to such a measure. A surtax at the border will be interpreted by my constituents as a simple action by the federal government to inhibit cross-border shopping.

What we need are policies which address the roots of our uncompetitiveness, not measures which can be interpreted as attempts to close off or set up artificial road-blocks. A levy of this type also appears to overlook its potential impact on our customs officers. It would increase their workload significantly and seems to me runs counter to our efforts of maximum efficiency.

I strongly believe our government must not be entertaining any notion of a levy or fee on cross-border shoppers. I hope that members of the House of Commons will join with me in voicing their concern on this important matter.

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• (1410)

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, just last week a spokesperson for a Vancouver based company confirmed that they are proceeding with plans to construct a dam near Valemount, British Columbia, on the North Thompson River, which is a tributary of the Fraser River, in an effort to divert water flow into the Columbia River watershed and then using a series of canals and pipelines to transfer this water into southern California.

This is part of a plan to divert a number of western Canadians rivers into the southwestern United States and northern Mexico known as the North American Water and Power Alliance Proposal.

Canadians have always been worried that the Canada-U.S. Free Trade Agreement may eventually end up giving Americans access to our fresh water and now, with the Canada-U.S.-Mexico negotiations under way, the worry is even greater.

Water is not another commodity to simply sell to the United States. It provides the very lifeblood for a delicate ecosystem.

Therefore, I call upon the Prime Minister and the Government of Canada to state categorically that our waters are not for sale, that our waters will not be dammed and diverted into the United States.

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VIOLENT CRIME

Mr. Stan Wilbee (Delta): Mr. Speaker, during the last few months, the citizens of Delta have become more and more concerned about the increasing violent crime and vandalism in our community. I am sure the people of Delta will be encouraged by the federal government's initiatives recently introduced before the House, as well as those forthcoming changes which will be proposed in the near future.

Changes to the Young Offenders Act were long overdue. I am also pleased with the amendments to the extradition laws and to the Corrections and Conditional Release Act.

While controversial in many areas, the firearms legislation is a step forward in controlling violent crime and the use of dangerous weapons.

The government is to be commended for taking these steps to protect its citizens against those who would abuse the freedoms we have and destroy the way of life and freedom which we cherish. Law-breakers in Canada must be made responsible for their own actions and

Canadians must again be able to feel safe on their streets and in their homes.

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AIRCRAFT INDUSTRY

Hon. Alan Redway (Don Valley East): Mr. Speaker, the Cyrus Eaton group has offered to buy the American Piper Aircraft Corporation and move it to Canada where it could eventually employ some 3,000 people.

Experience shows that for every job created in the aircraft industry, two more jobs are created in supply and service industries. Because of Canada's relatively high wage rates, we need high tech jobs such as those in the aircraft industry if we are going to compete internationally. Jobs like this are particularly important right now because the Toronto area alone has lost 175,000 jobs during the past year and now has double digit unemployment.

The government must do everything possible to encourage Piper to come to Canada. Let us not blow this one.

* * *

EMPLOYMENT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, the jobless situation in my constituency of Cape Breton Highlands—Canso and indeed all across Cape Breton Island is reaching crisis proportions.

Instead of acting to alleviate this situation, this government is putting additional road-blocks. A good example is the changes to regulations and procedures for qualifying and receiving UI benefits in the wake of Bill C-21. Not only have the provisions for receiving UI been tightened, but the red tape required to explain and administer these new rules has created additional barriers.

As a result, the numbers of unemployed calling on the services of our local CEIC and Revenue Canada offices to deal with outstanding claims has multiplied in recent months. The resources to deal with this demand simply cannot cope. Constituents are waiting six to eight months for decisions to be rendered by understaffed government departments.

Several months without a decision on an unemployment insurance claim quite simply can mean several months without money for rent, food and clothing.

When will the ministers of these departments act to cut back on these lengthy delays?

S. O. 31

HERCULES AIR CRASH

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I rise to pay tribute and honour to the brave men and women of the Canadian Armed Forces who, over the last few days, were part of a tragic accident and an heroic rescue in the high Arctic.

For more than 30 hours, a group of survivors of the crash of a Hercules aircraft struggled to cling to life. Outside the fuselage were the bodies of four others who made the ultimate sacrifice for their country.

Overhead and ready to leap into the blindness of an Arctic storm were search and rescue technicians who did not blink in the face of an incredibly dangerous and selfless assignment.

There are many heroes in this story, but none greater than the captain of the aircraft, John Couch. In the words of his co-pilot, Lt. Joseph Bales: "If anybody was a hero it was John Couch who threw so much into surviving and keeping us going and keeping people organized. If you are going to paint anybody a hero you should paint John Couch. He worked the whole time like an extremely dedicated professional. He just did not give up one single bit and when he had finished helping others, John Couch closed his eyes and died".

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CHILD POVERTY

Mr. Mike Breaugh (Oshawa): Mr. Speaker, according to *The Toronto Star*, the Minister of Justice has announced that this week the Commons will have a blitz of law and order legislation. Last week we had a conference here on Canada's children and they reported that one child in six in Canada is poor, that half of the Canadians who rely on food banks are children. There are still more poor children than there were 10 years ago, that many poor children in families are struggling on 50 to 60 per cent of poverty line income and that in 1988 almost two-thirds of the children in families headed by single mothers were living in poverty, that more than half of all aboriginal children in Canada are poor.

How about equal time for the children of Canada? If we can afford a week of legislative time to blitz for law and order, how about two weeks for our children?

MERCHANT SEAMEN

Mr. George Proud (Hillsborough): Mr. Speaker, I simply cannot believe this government's continued refusal to recognize merchant seamen as veterans. With what went on in the other place, it is evident to me that there is no commitment on the part of this government to recognize these people and extend their rightful benefits to them.

I am particularly upset that even though support for such recognition has come from all quarters, the government continues to turn a deaf ear to this serious problem. The invaluable contribution made by the merchant seamen during the Second World War must be recognized by the Government of Canada. More than 45 years have passed since the end of that war and time has definitely arrived for this government to take the just and long overdue step of recognizing the efforts of the merchant mariners as veterans.

I strongly urge the government to take prompt action in recognizing the heroic contributions made by merchant seamen to the war effort by extending to them the full range of veterans' benefits.

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CANADA CAREER WEEK

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, I would like to draw the attention of the House to Canada Career Week which will take place from November 3 to 9. It is a national event that promotes the importance for young Canadians to focus on future careers while they are still in school.

This year's theme, *Start to Finish* reinforces how important education is to career planning. Communities all across Canada are pitching in to stage a range of imaginative events such as career fairs, exhibits, poster contests and conferences. Students, teachers, parents, the government and the business community are all taking an active role in helping young Canadians to look ahead to their career opportunities and a smooth transition from school to work.

ORAL QUESTION PERIOD

[*Translation*]

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Deputy Prime Minister. Every day Canadians are saying that the main problem facing the country now is the state of the economy. However, the government doesn't seem to listen. This morning, for instance, workers in the construction industry in Quebec heard some bad news: one-third of these workers are unemployed, and the situation is expected to get worse in the months to come.

At this very moment, unemployment is also widespread in the pulp and paper and forestry industries. Yesterday, lay-offs were announced in Dolbeau, in the riding of the Minister of National Health and Welfare, and there will be more. And at this point, all the government has to offer in the way of programs is publicity stunts.

When will the government, the Deputy Prime Minister and the Minister of Finance start concentrating on the real problems that concern Canadians, and when will they take steps to ensure that our goods are competitive, instead of keeping the dollar at 90 cents as they are doing now?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, as I indicated to the House on Friday, the economic strategy of the government is to bring down inflation and inflationary pressures so that interest rates can come down. That is the key to economic recovery.

The hon. member shakes his head negatively but I hope he would not disagree with the fact that interest rates in Canada have come down by over six percentage points. The spread has narrowed and continues to do so. As long as we can continue on that track, I am sure the hon. member will agree that that is the recipe for economic recovery.

I am sure that he will also be interested in knowing that today, for the fifth consecutive month, the leading composite indicator, which covers everything from housing to stock markets, has again shown an

increase of 1 per cent. That is the broadest rate of growth in six years, and the hon. member should be applauding that rather than criticizing it.

• (1420)

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the minister does not realize that the survey of 153 companies showed that corporate profits are down 33 per cent across the board, down 88 per cent in mining, down 47 per cent in his own province in oil and gas, down 29 per cent in manufacturing products. Everything is down.

We still have a dollar that is around 90 cents. Interest rates are down in Canada, yes, but they are down in the United States and the spread is still the same.

When will he change his policies and make Canadian products competitive so that Canadians can go back to work? They have been out of work for more than 18 months as a result of the policies of this government.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am not sure what the policy of the federal Liberal Party is with respect to the exchange rate. The last I heard it is the same policy that the hon. Leader of the Opposition had when he was finance minister. He said back in 1978, and I quote: "We believe that market forces should continue to determine the appropriate exchange value for our currency. What we are doing as we have done consistently for the past eight years is to smooth out erratic fluctuations in the value of the dollar as they occur in the marketplace". That is precisely the policy of the federal government.

The issue is not to manipulate the exchange rate. He knows that. If he is calling for a fixed exchange rate or if he is calling on us to adopt the American currency as our currency, why does he not stand up and say so. Canada is sovereign in its own power to determine and maintain the value of the currency and that is one of the most fundamental aspects of any economic and monetary policy.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, the main economic problem we face is that the people of Canada want to work today. Everybody knows, and every commentator says that the Canadian dollar is too high. The only recipe this government has at this moment is to maintain the high dollar and to put forward their advertising campaigns. The only people doing well these days in Canada are the people in advertising.

There was a program for advertising the Constitution last month. There was one on productivity last week. There is one this week on law and order. When will the government give jobs to Canadians, and not only the people who are friends of its party who work in the advertising business?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, perhaps the hon. Leader of the Opposition might advise us what his policy is with respect to the exchange rate.

If he does have a view on the value of the dollar, what is it? How would he get it there and how would he keep it there? Perhaps he might want to take us into his confidence and advise the House. Come clean with Canadians. Do not just stand there. You cannot have it both ways.

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GAINES PET FOODS CORPORATION

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Minister of Finance.

Gaines Pet Foods Corporation of Cobourg, Ontario, employs 110 people, exports two–thirds of its product, yet faces a crisis today because of the high dollar.

Despite aggressive business strategies, the company tells me it loses $150,000 in potential profit for every penny increase in the value of the Canadian dollar, causing Gaines a $1 million profit loss this year alone.

Gaines has to make an important decision; stay here or shift its production to the United States. What is the minister's advice to Gaines Pet Foods Corporation?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, there is more to being competitive than just simply looking at the exchange rate. There are many components that go into making a business competitive and productive and show a profit.

The hon. member does express a point of view and it is one that concerns us all. There is in fact a depression in commodity prices throughout the international marketplace.

I remind the hon. member that our merchandise trade balance for this year is $8.1 billion. The merchandise trade balance rose $8.1 billion at an annual rate to $13.5 billion in August. That would indicate to me, Mr. Speaker, that Canadian concerns are in fact meeting competition. They are cutting their costs. I am sure that with the reduction in interest rates, the lessening of inflation and inflationary pressures, that competitive opportunity will be all the more fruitful for them.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary is to the same minister. I would be happy to share with the minister the fact that statistics show that this company has been very aggressive and has taken on some very innovative policies to improve its ability to compete.

Gaines Pet Foods Corporation is in jeopardy; 110 jobs in a small Ontario community are in jeopardy. Across Ontario, over one-third of our businesses are looking to moving out. Staying here means shutting down.

Will the government explain why it refuses to take direct action to lower the Canadian dollar or provide other emergency relief today to Gaines and other Canadian businesses in distress because of the high dollar, in order to give them a fighting chance to survive here in Canada.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we have taken definitive action, first of all, in bringing down inflation and inflationary pressures and the corresponding reduction in interest rates that have come down by over six percentage points. That trend is continuing. We have addressed the problem of prosperity and competitiveness. Of course that is an issue that all Canadians must face in the form of a partnership.

The hon. member talks about all the firms that are leaving the country. I said in the House the other day that Chrysler Corporation was putting a third shift on its Windsor plant for the manufacturing of mini-vans.

Imperial Tobacco announced a $16 million retooling and expansion plant in Elgin—Norfolk County about two weeks ago.

Dupont Canada triples profit. It is adding that the free trade agreement with the United States enabled the company to boost its profits.

Piper Aircraft, Mr. Speaker, chooses Canada. Dupont opens a world-scale plant.

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NORTH AMERICAN FREE TRADE AGREEMENT

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, my question is to the Acting Prime Minister. Contrary to the Deputy Prime Minister's statements, this country has lost 410,000 jobs because of the Canada-U.S. Free Trade Agreement.

Bankruptcies are near an all-time high. *Le Soleil* has just done a poll which shows that most Canadians are opposed to the Canada-U.S. deal and are opposed to the Mexican deal.

An hon. member: You better believe it.

Mr. Barrett: Mr. Speaker, I want to ask the Deputy Prime Minister this question. Is he prepared to table in this House all the documents, all the research and all the back-up papers that this government has prepared in dealing with the Canada-U.S.-Mexico deal. Where is the evidence that Canada will benefit out of this proposed deal? Are you prepared to document it?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, in terms of the free trade agreement we already know that over the last two years our exports to the United States have increased substantially. Interestingly enough, some of our exports to other parts of the world have not increased at all. Surely that would tell you that the free trade agreement as such with the United States is working.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I did not wish to embarrass the government, but now I am compelled to.

Mr. Speaker, in my hand is a document the government spent—

Mr. Speaker: The hon. member knows the rule against using props. Perhaps the hon. member will put his question.

Mr. Barrett: Mr. Speaker, I will not use a $1 million document presented by the government as a prop, even though I may think it is a crock. But, Mr. Speaker, in the document that the taxpayers of this country paid $1 million for, Mr. Porter says unequivocally that thousands of jobs have left Canada because of the free trade agreement, and I refer to page 69. This is not my

argument but Mr. Porter's argument in this document which I will not use.

• (1430)

I put the question to the Deputy Prime Minister. In face of this government's own evidence after spending $1 million on the Porter report, what research is available to this House and to the people of Canada that shows that entering into an agreement with Mexico will be any better than the one we got with the United States?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, it is quite interesting that members opposite did not want a free trade agreement with the United States presumably because the United States would outgun us with its high-tech and its power. Now they do not want a free trade agreement with Mexico for exactly the opposite reasons.

It is kind of hard to know what they really do want.

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, what the Canadian people want is the 410,000 jobs back right now.

Some hon. members: Hear, hear.

Mr. Barrett: What the Canadian people want back are the industries and the spinoffs we once had from those branch plants. What we want is our place in the economy.

I ask the Deputy Prime Minister whether or not this government is prepared to table all the documents and research it has done, if any, which show that the Mexican deal will be a good one.

Hon. William C. Winegard (Minister for Science): Mr. Speaker, it is kind of interesting to go back and look at what we wanted out of the free trade agreement with the United States.

We wanted for example a dispute settlement mechanism, which we got. We wanted economic benefits, which we have and I have just given the numbers. We wanted market access, which we have got.

Just last Friday afternoon I had a firm in my office in Guelph saying: "The reason we are here talking to you is because of the FTA". I said: "Come on and talk some more".

UNEMPLOYMENT INSURANCE

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, my question is for the Minister of Finance.

Over the last two years this government has increased UI premiums by 44 per cent to $1.95 per $100 in 1989 to $2.80 per $100 in 1991.

Given the desperate state of third-quarter profits of Canadian businesses outlined by the Leader of the Opposition, given that Canadian workers in this country are already taxed to the teeth, will the Minister of Finance tell this House, and through this House tell Canadians, that the government will say no to an increase in UI premiums at this time?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would only indicate that while premiums have indeed gone up so have benefits. Benefits have improved by about 55 per cent. As I indicated in the House the other day—

Some hon. members: Nonsense.

Mr. Mazankowski: Hon. members say: "Nonsense". They may just want to check their facts and figures on this because that has in fact occurred.

With respect to UI premiums, as I indicated in the House the other day there is a process where the recommendations are brought forth by the commissioners for ratification. I have not received such a recommendation at this time.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, the only thing the government accomplished in Bill C-21 was to withdraw the government from funding of the unemployment insurance account and to force the unemployed to pay for their own retraining program. That is all the government accomplished, and the minister should admit it up front.

Given that 10,000 Canadian small businesses must change their computer software to accommodate any change in the UI premium, a change that is supposed to be legally in place by January 1, will the minister tell the House today that there will be no increase in the UI premium? Will he make that news available to the Canadian business community as soon as possible, a

community that is bleeding under excessive taxes and poor fiscal and monetary policy by this minister?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I have indicated to the hon. member earlier that I have not received a recommendation from the commissioners. There is a process that is to be followed and we will follow it in the usual manner.

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SHIPBUILDING INDUSTRY

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my question is for the Minister of Transport.

As he will know, the shipbuilding industry in this country has been brought to its knees by the government of which he is a member. The national ship building policy that was promised by his Prime Minister in 1984 during the election is nowhere in sight.

Will the minister undertake now to wipe out all the tariff exemptions on boats entering Canada? Will he now require that all fishing boats fishing in Canada be built in Canada?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I can tell the hon. member that one thing we are thinking about is making sure the ships of one of his fellow members eventually bear the Canadian flag.

[*Translation*]

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a supplementary for the same minister.

The minister can create a lot of confusion and wave his arms, but the fact remains that thousands of construction workers are unemployed, all because of this government's broken promises.

Will the minister implement measures today to guarantee that all goods now being shipped between domestic ports are carried by ships built in Canada, manned by Canadian crews and sailing under the Canadian flag?

Some hon. members: Hear, hear.

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I would like to offer my sincere congratulations to the hon. member opposite who, like many of his colleagues, has been practising in front of a mirror. I am sure I will never achieve his degree of skill in making gestures, but I repeat that perhaps he could use his influence on his colleague to ensure that owners of Canadian ships start by flying the Canadian flag.

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[*English*]

NUCLEAR VESSELS

Mr. Jim Fulton (Skeena): Mr. Speaker, my question is for the Secretary of State for External Affairs.

According to confidential briefing note JLO–1006, a U.S. submarine made an illegal submerged passage through Canada's internal waters at Dixon Entrance in June 1990. On Friday the minister denied knowledge of the matter despite the fact that a formal written protest was made by External Affairs.

Is the minister suggesting to the House that last Wednesday she approved blanket consent for U.S. nuclear subs in Dixon Entrance without knowledge of the earlier illegal activity?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, if the hon. member would reflect on what was actually said on Friday, what I said was: "Not to my knowledge but I will look into it".

Indeed there were transits through the Dixon Entrance in 1989 and in 1990. There was a formal protest lodged by the department through diplomatic notes and indeed that led to the discussions which enabled us to provide guarantees for Canadians as a result of the new policy and the co-operation on the disputed waters.

I think that the hon. member should at least be relatively more open about his questions.

Mr. Jim Fulton (Skeena): I have a supplementary question, Mr. Speaker.

It is the minister who signed the Order in Council on Wednesday providing blanket prior consent for the U.S. subs to go through Dixon Entrance, and on Friday she was trying to tell Canadians she had no knowledge of previous illegal activities by the U.S. sub fleet.

During the furious debate over Arctic sovereignty on the illegal voyage of the *Polar Sea* in March 1987, the right hon. Secretary of State for External Affairs gave categoric assurances as found in *Hansard* that "there will be no secret agreement sprung upon anybody" and to

"consult extensively with all those Canadians who are interested".

Why the double standard on Dixon Entrance: no consultation and a secret agreement?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, it was hardly a secret agreement since we announced it.

What we did was get guarantees from the U.S. concerning the transits through Dixon Entrance because the United States co-operated with us. We had registered protests. The Department of National Defence found out through normal discussions with the U.S. defence authorities the potential for SEAFAC. We were able then to get some guarantees from the U.S. as a result of that, and then we announced it. It was hardly a secret agreement.

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• (1440)

[*Translation*]

IMMIGRATION

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. In his annual report the minister announced that he intended to facilitate access to this country for immigrants with a trade, at the expense of the family reunification program. How will the minister explain to a mother who has been waiting two years for her son to come to Canada, that she will now have to wait a little longer because the government has changed its priorities?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I know the hon. member and I am sure he would not want to mislead his fellow citizens. The proposed changes certainly do not imply there will be a longer wait for family reunification in Canada, but that is what the hon. member is trying to make people believe. I hope he will correct this impression.

[*English*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, when the minister increases the independent class it automatically decreases the family class because the number is now fixed. Maybe he should read his annual plan closely.

Family reunification has taken a back seat to the Tory economic agenda as a top priority of Canada's immigration law. How can the minister justify increasing entry into Canada of other groups when it now takes three years or more for a husband and wife to be reunited in Canada?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it takes some gall. I mean this is the political party, following the tabling of the immigration level for the year, which said that the family class was in jeopardy.

In the family class this year 100,000 people will come into Canada for family reunification. Perhaps I could just add this: in 1984 the Liberal Party that formed the government at that time was welcoming 88,000 people to Canada. This year we will be welcoming 250,000 and I do not think that he should be complaining.

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THE ENVIRONMENT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Deputy Prime Minister concerning the environment.

Evidence from the government's own environmental experts shows conclusively that 47 pulp and paper mills using chlorine bleach are pouring toxic substances into Canadian waters.

Since the Minister of the Environment agrees that the entire effluent from these mills is poisoning fish and causing birth defects, why has the government refused to regulate these substances and protect our water from these poisons?

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, I say to the hon. member that we will be bringing forth very shortly the new pulp and paper regulatory issues. The substantial increase in the AOX, which is the 350 chemicals within that effluent, will be decreased substantially to 2 kilograms per tonne from 5 kilograms per tonne which was in 1988.

I think the member will see on the regulatory system that is coming in very shortly that we will have good success on that.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, the minister of state is referring to regulations that the Minister of Fisheries and Oceans has been sitting on for over four months.

We are talking about something different. We are talking about toxic substances and the entire toxicity of effluent from mills. Knowing this, knowing that the entire effluent is toxic, will the minister of state admit that the Minister of the Environment has made a mistake by saying he will not regulate this effluent? Will she assure the House that regulations will be brought in?

Hon. Pauline Browes (Minister of State (Environment)): Mr. Speaker, yes, I will assure the member that regulations will be brought in concerning dioxins and furans. That is going to have a substantial effect on the whole soup of chemicals of the AOX. We expect about a 60 per cent decrease in all of those.

At the present time there is a tremendous amount of research going on in terms of the kind of process to have the paper the whitish colour that we want, the substitute for the Kraft process. There is a process going on in British Columbia which is really quite excellent. We are pleased about that. The peroxide and the ozone being used in that process is certainly a result of some good technology.

I am very pleased that science and technology is doing a $60 million report on some of the new technology that can be used in order to reduce this effluence.

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HERCULES AIR CRASH

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Associate Minister of National Defence.

I am sure all members of the House and all Canadians will join in offering our deepest condolences to the families of those who were killed in last week tragic accident near Alert and paying tribute to those who were involved in the heroic effort to rescue the survivors.

Major Lloyd Clifton, the chaplain at Canadian Forces Base Edmonton, said yesterday speaking of Captain John Couch's self-sacrifice: "It is the kind of stuff the Victoria Cross is awarded for".

Will the government be considering giving this country's highest honour to those who were involved in that heroic effort, in particular to the late Captain John Couch?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, again I thank my hon. colleague for his thoughts.

As I said in the House on Friday, I know that all hon. members join in condolences to the families of the five who lost their lives in this crash and to the survivors. I had a chance to visit with most of them this morning and talk to them. They are coming along very well. What they went through in this ordeal is an incredible story. Of course we also express appreciation to the search and rescue people who did an outstanding job.

I know all of these issues will be reviewed. Where honours can appropriately be given, I can assure my hon. colleague that appropriate consideration will be given to that.

Mr. John Brewin (Victoria): Mr. Speaker, I thank the minister for that as do all members of the House.

I would just like to ask a follow-up question. On Friday the minister indicated that there was a report being prepared on the causes of the accident. As the minister knows, four other Hercules were involved in earlier crashes. There have been some questions arise about the cause of this, about the adequacy of the equipment available, about the potential involvement of the Innu people in the rescue operation, and various other questions.

Will the minister table a report on all of these issues with the standing committee on national defence so that the committee can decide whether a further public inquiry can take place on the events surrounding this accident?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, there is a board of inquiry which has been established to investigate what the causes of the accident were and what the contributing factors were. The black box has been found and interviews of course will take place with all the survivors and others involved.

I think it is too early to say just how long that process will take. Obviously it has to be a thorough process. As in the past the information about the causes of the crash will be made available to the public and to the standing committee in the course of making that information public.

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PIPER AIRCRAFT CORPORATION

Hon. Alan Redway (Don Valley East): Mr. Speaker, my question is for the minister who is acting on behalf of the Minister of Industry, Science and Technology.

The American Piper Aircraft Corporation has offered to create up to 3,000 jobs in Canada and has indicated at the same time that it would prefer to do so in the Toronto region.

I would like to ask the minister if it is true that the government is trying to discourage Piper from establishing in the Toronto region? If it is not, what is the government doing to help Toronto get those jobs?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I am grateful for the opportunity to respond to that question because neither Investment Canada nor the Department of Industry, Science and Technology attempts in any way to indicate where it would be most appropriate for businesses to locate in Canada.

In this particular instance the company wanted to know something about regional development programs, so WED and ACOA were there to provide that kind of information. We certainly do not want in any way to be directing jobs to Toronto, to Montreal or to any other place.

It happened that in this instance there was no provincial representation at all on the request for people to go down to Florida to talk about this issue.

• (1450)

We understand that there has been no deal made at the present time and that there are still four countries in the running for this particular plant.

* * *

FORESTRY

Mr. Maurice Foster (Algoma): Mr. Speaker, in the absence of the Minister of Forestry I will put my question to the Deputy Prime Minister.

The Deputy Prime Minister knows that the Canadian forestry industry today is facing the worst crisis with the lowest commodity prices in a decade, with a countervail duty on softwood lumber and with an overvalued dollar.

In the face of this crisis the government has reduced the support program for its federal–provincial forestry agreement with the province of Ontario by 66 per cent from the previous five-year agreement.

I wonder why the government is cutting support to an industry like this that is drowning in a sea of red ink.

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am happy to tell my hon. friend, who should be aware of this since his riding is in northern Ontario, that we announced this morning, the provincial government of Ontario and the Government of Canada, a major new agreement for northern Ontario: $95 million over the next four years. It includes a large forestry component which the Minister of Forestry also signed this morning.

This will give a tremendous boost to forestry in northern Ontario and is just one tangible example of the kind of action the hon. member is looking for. He should have been aware of that announcement this morning.

Mr. Maurice Foster (Algoma): Mr. Speaker, the problem is that the people in northern Ontario are too aware of an agreement that cuts support by 66 per cent.

I would like to ask the minister about the forestry agreement. The previous agreement planted hundreds of thousands of hectares of seedlings to reforest areas in northern Ontario. Why, in an agreement that was signed today in Sault Ste. Marie, is some 12 per cent of the agreement being spent on public relations and advertising rather than on long-term benefits to an industry in very serious trouble?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the problem with the party opposite in just about every industrial component in the Canadian economy is that they overlook the importance of research. They overlook the importance of new technological adaptation. They overlook the importance of developing consciousness among the people of Canada about how to improve the industry and to make it more competitive.

That is what this agreement does.

* * *

NAPPAN EXPERIMENTAL FARM

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Agriculture and it refers to the commitment to expand the Nappan Experimental Farm in Nappan, Nova Scotia.

Although the commitment was reaffirmed in March of this year the original commitment was made in 1986. I do not want to rush the minister, but I wonder if he could indicate when this important project might proceed.

Hon. Bill McKnight (Minister of Agriculture): I can inform my colleague, Mr. Speaker, that Nappan is in a group of 10 research stations which we studied. I can inform him also that further to that study as to necessary capital expenditure, some $100,000 has been spent to upgrade Nappan research station. We have identified other research locations which must be included in the study. Public Works has been contracted to carry the studies out, and we hope to have our major capital construction plan available for the hon. member before the end of fiscal year 1991.

* * *

CRIME PREVENTION WEEK

Mr. John Nunziata (York South—Weston): Mr. Speaker, one of the most important concerns of Canadians right across the country is the increase in crime, whether it be in our urban centres or in rural communities. Canadians are concerned about the proliferation of guns and drugs in their communities.

This week is Crime Prevention Week. At a time when the government says it is concerned about the increase in crime in our country, it has totally slashed, cut the budget for Crime Prevention Week.

I would like to put this question to the Deputy Prime Minister. Can he explain why at a time when Canadians are crying out for reform, at a time when Canadians are crying out for some leadership from the federal government, that this government has totally eliminated the budget for Crime Prevention Week?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, if my hon. friend had reviewed the 1991-92 Main Estimates he would have seen that in fact the announcement was made at that time that our participation in National Crime Prevention Week was going to be eliminated. Contrary to media reports the figure is not $2 million. The funding was in fact $340,000.

Mr. John Nunziata (York South—Weston): Mr. Speaker, the fact is that the government is not contributing one single solitary cent to Crime Prevention Week, and that is the travesty.

Canadians are concerned, and in particular in metropolitan Toronto. As of yesterday there were 74 murders this year already in metro Toronto. The previous record was 60 for all of 1987, and there are still two months to go in this year. Canadians are concerned about crime prevention.

I would like to put this question to the Deputy Prime Minister. When is this government going to show some leadership as far as criminal law reform is concerned? If it is truly concerned about criminal law reform, why has it cut completely the budget for Crime Prevention Week? Why has the government totally washed its hands of criminal law reform?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, my hon. friend not only missed the Main Estimates. He missed the question immediately in advance of his question from the hon. member for Algoma wherein the whole point of the Liberal Party was: Why are you spending money on public information?

In fact many of the original aims of National Crime Prevention Week are completed. We have outside groups involved in it. For that reason, since they are working with police forces across Canada, we decided to use our money elsewhere.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the Deputy Prime Minister in the absence of the Minister for International Trade.

It concerns the softwood lumber tariff memorandum of understanding. News reports have quoted Canadian officials as saying that the government was going to present Canada's case on the softwood lumber tariff and

its dispute with the United States to GATT. Given the high dollar and the loss of many jobs in this important sector, can the minister confirm whether this is actually happening and/or what steps the government is taking to fight this regressive action by the Americans?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, we have said in this House before that we are taking every step we possibly can under the free trade agreement and under GATT to ensure that this memorandum of understanding causes us no further difficulty.

We believe that there are no subsidies in the Canadian softwood lumber industry and we believe we can prove it.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my supplementary question is for the same minister.

Canadians are concerned that this government will sell out Canada's forest industry as it did in late 1986 when this was negotiated before.

My question is: Can the minister tell this House and Canadians, all of those people who are involved in these negotiations, to have the broadest possible consultations? Would he speak to his colleague, the Minister for International Trade, and have the minister appear before the Commons forestry committee to give a detailed briefing to members so we might be aware of the complete approach the government is taking on this?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, what the government is doing in this instance is precisely what industry wanted us to do. It wanted us to take this approach.

I remind the hon. member that in terms of the countervail in 1986, the methods we are now using going through the free trade agreement were not available then. We wish they had been.

* * *

HOUSING

Mr. Garth Turner (Halton—Peel): Mr. Speaker, despite very low interest rates and lower real estate prices now, a lot of would-be, first-time home buyers have a tough time raising the capital for a down payment. My question is for the Minister of Finance. Can he tell the House what the status is of proposals to allow the use of RRSP funds for the purchase of homes by first-time buyers?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I appreciate the hon. member's ongoing interest in this very important subject.

As he knows this is a proposal that has been brought forward by the Canadian Real Estate Association. I have had officials in the Department of Finance examining this very closely. I am myself somewhat intrigued by the idea and the principle.

My understanding is that the finance committee is going to be studying this issue as well. I certainly look forward to its views and recommendations on that. As soon as this review is completed I will be in a position to advise the hon. member and other hon. members in the House.

* * *

[*Translation*]

OCCUPATIONAL TRAINING

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister of Employment and Immigration.

Last Friday, the minister again proceeded with a unilateral announcement, over the objections of the government of Quebec and that province's employment minister. The minister announced another occupational training program, although he knows perfectly well that in Quebec there is unanimous support for patriating all this money to make the program more effective.

• (1500)

My question is this: Why this unilateral gesture, which is an insult to all groups in Quebec, since they are all agreed the minister should get out of this area?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, regarding the government initiative referred to by the hon. member, when he says that the provinces were not consulted, he should recall, if that is not too much trouble, that when we proposed amendments to the Unemployment Insurance Act by tabling Bill C-21, all the provinces, employers and unions in this country were consulted. In fact, they indicated that they approved of these amendments, and on that basis, decisions are being made on how to make the allocated funds productive. The Bloc Quebecois is

asking us to let Canadian workers suffer for the sake of the constitutional process, at a time when these measures are needed to train the labour force in Quebec and the rest of Canada.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw to the attention of members the presence in the gallery of His Excellence Sir Clement Maynard, Deputy Prime Minister and Minister of Foreign Affairs of Commonwealth of the Bahamas.

Some hon. members: Hear, hear.

* * *

POINTS OF ORDER

TAKING OF VOTES

Mr. Mike Breaugh (Oshawa): Mr. Speaker, you will be aware that on last Wednesday evening during the course of the taking of a vote on a private member's matter concerning senior citizens a number of members raised the very point that they were unable to vote because the vote occurred slightly earlier than they had anticipated.

Without casting aspersions on anyone, I would simply like the House to know that we intend to pursue the matter and to raise it at the House management committee where the rules are being reviewed to make sure that members are not prevented from voting on matters and that if we have a repeat of that incident we will all know precisely when the vote will occur.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I may remind the hon. member that I was in the chair during that incident. My ruling was that the Speaker had no choice but to proceed with the vote when, in accordance with the Standing Orders, the two Whips indicated to the Speaker that members on both sides were ready to vote.

If hon. members wish to change the Standing Orders, I think the hon. member made a very good suggestion, and perhaps the committee could consider this matter. That being said, I do not think there can be any further discussion in the House about the incident and the ruling I made last week.

USE OF FRENCH IN THE HOUSE

Hon. Jean Lapierre (Shefford): Mr. Speaker, I imagine that during Question Period, you also noticed the valiant efforts of the hon. member from Burin—St. George's in French. In fact, I strenuously object to the fact that the Minister of Transport and other government ministers laughed at the hon. member's performance when he made a very special effort to speak French. Mr. Speaker—

The Acting Speaker (Mr. DeBlois): I am not sure what part of the Standing Orders the hon. member is referring to.

Mr. Lapierre: I am referring to the fact that the Speaker asked us to show some decorum and respect for other members in this House during exchanges in the course of debate, and the leader of the government did as well. Today we witnessed a valiant effort while the other side of the House indulged in rude behaviour. I think that if we want both languages to be used in the House we should respect those who make the effort.

[*English*]

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I just want to make the record clear. There was nobody on this side of the House within my earshot who was at all critical of the attempt by the hon. member to use French. In fact we applaud it.

We do not applaud the substance of the question. The fact that it was articulated in French does not make it a good question.

We do applaud the fact that he asked the question in Canada's other official language and there is no criticism of that whatsoever. The substance of the question is a different thing.

An hon. member: Absolutely. Well said.

Mr. Nelson A. Riis (Kamloops): I simply want to confirm what the government House leader has indicated. Sitting on this side, certainly in good view of the cabinet benches, while the hon. member was speaking in French and at the completion of his remarks there was genuine applause, I think by all sides of the House on that initiative.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I think this closes the incident. All parties have had their say. I am sorry, but I do not think we can reopen the debate. You have given your point of view; the other party has given its point of view, and the people listening and other members of the House are now in a position to make up their minds. I am sorry but I consider the incident closed.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

EXTERNAL AFFAIRS

RESTORATION OF DEMOCRACY IN HAITI

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I rise in the House today to outline the steps Canada is taking in the international effort to restore democracy in Haiti.

The winds of democratic change that have blown stronger around the world have been a source of much hope to all of us. Real progress has been achieved in many countries, including dramatic change in this hemisphere where for so long military dictators dominated political life.

In December 1990, less than one year ago, Haiti joined the community of democratic nations with a free and democratic election. This election was clearly a source of much pride and joy for Haitians. It was also a source of much satisfaction for Canadians who had watched the people of that troubled country tormented for so long under the oppressive yoke of dictatorship.

Canada, along with other countries from the OAS and the UN, helped this transition to democracy through direct electoral assistance and observation to ensure that the election of President Aristide was free and fair.

The conclusion of all international observers was that President Aristide had won by a landslide in remarkably fair elections.

The coup that overthrew the legitimate and democatically elected government of President Aristide flew in the face of the will of the Haitian people and the democratic achievements throughout the Americas. It was totally unacceptable and remains totally unacceptable.

[*English*]

Canada moved quickly and decisively in response to the coup. The government immediately suspended our CIDA bilateral government aid, government-to-government assistance, the whole program in Haiti.

We supported an early meeting of foreign ministers of the Organization of American States, which this government had joined less than two years ago, to develop an effective regional response to this threat to democracy in our own hemisphere.

The OAS acted. Within days of this coup, foreign ministers met and sent a delegation of foreign ministers to Port-au-Prince to demand the restoration of democracy.

I was a member of the delegation which flew to Haiti on a plane provided by the Canadian government. On our return, OAS foreign ministers met again and passed a second resolution calling on member states to impose trade, economic and financial sanctions against the illegitimate authorities in Haiti.

• (1510)

There can be no doubt of the resolve of the OAS countries. These resolutions were passed unanimously by all 34 OAS members.

I would like to outline in the House today how Canada will give effect to these OAS resolutions.

[*Translation*]

First, the government has placed Haiti on the area control list and the import control list under the Export and Import Permits Act; this will halt bilateral trade with Haiti. The government will only allow exports of food we judge are required for humanitarian reasons.

Second, the government has suspended all other bilateral development assistance in Haiti that has been executed by NGOs. Since 1987, this has formed the bulk of our bilateral program in Haiti.

Third, the Export Development Corporation, the Canadian Commercial Corporation, the CIDA Business Cooperation Division and the Trade Facilitation Office of Canada have been instructed that funds, credits and advice are no longer to be made available for applications involving Haiti.

Fourth, activities relating to Haiti are no longer eligible for funding under the program for Export Market Development.

Fifth, the Trade Commissioner Service of the Department of External Affairs and International Trade has suspended all assistance to exporters to Haiti.

Sixth, Canadian representatives at the multilateral development banks have been instructed to oppose any proposals for new credits or loans, or the provision of technical assistance to the illegitimate regime in Haiti.

[*English*]

Canadian representatives at the International Monetary Fund have also been instructed to impose any standby or credit or any other arrangement for Haiti.

Seven, federal government departments and relevant Crown corporations have been instructed to suspend activities involving Haiti.

Our aim in implementing these measures is not to increase the suffering of ordinary Haitians who are having a difficult time, our quarrel is with the perpetrators of the coup and not with the Haitian people.

For this reason, and consistent with the OAS resolutions, Canada will continue to provide humanitarian assistance through multilateral and non-government organizations.

Finally, this government will shortly introduce legislation that will allow Canada to freeze all assets of the Haitian government in Canada. We have already advised financial institutions in Canada to exercise special prudence so as to ensure any unauthorized transfer of Haitian government funds does not occur.

It is especially heartening that the Organization of American States has seized this occasion to assume its proper role in the maintenance of hemispheric security and the defence of democratic values so newly won in many parts of this hemisphere. All active OAS members, with the exception of Haiti, now enjoy democratic government.

Many countries in this hemisphere, however, have military establishments with a tradition of interference in civil affairs. The governments of these countries share our determination to send a clear message to military establishments and to others. The nations of this hemisphere, acting through the OAS, will not tolerate any longer interference in the democratic process.

[*Translation*]

Canada's goal is simple and through these actions our determination must be clear to everyone.

With the measures I have just announced, we have gone as far as any country in the hemisphere in responding to the OAS call for a strong signal to the regime in Port-au-Prince that we will not tolerate that the will of the Haitian people be thwarted.

Together with our OAS partners, we are determined to restore democracy in Haiti.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I welcome this opportunity to speak in this debate.

[*English*]

It is important. As Jean-Bertrand Aristide, the President of Haiti, said himself in an article which appeared in the *New York Times* dated Sunday, October 27, the public should not forget about the dreadful situation which exists in Haiti.

To quote him directly, it said: "As news of massacres and repressions slip off the front pages, there is a danger that active support will wane, and with it, the hopes and dreams of the Haitian people for democracy".

On December 16, 1990 the people of Haiti fulfilled a dream that they have felt, many of them, could never happen. Democracy came to Haiti with a free democratic election that brought to power Jean-Bertrand Aristide,

the first democratically elected president to that country in over 200 years.

It has a population of over six million who had been cowed for over 200 years by the likes of the dictatorship of the Duvalier family and the Tonton Macoutes who together brought to the Haitian population a misery unknown certainly in the western hemisphere.

We are very pleased today to accept the minister's statement of her commitment to follow through on the resolution that was made and voted unanimously upon by the OAS on October 8 to bring in sanctions against the illegal government that now exists in power in Haiti.

However, the power of the regime in Haiti is tenuous but only if we continue as a country to mount pressure against that regime and try to assure the restoration to power of Jean-Bertrand Aristide.

The people of Haiti today under this new illegal dictatorship are being routed by the army in the countryside. I have had conversations with people involved in relief work, charitable work at the grassroots level in Haiti who talk about new terror in the countryside as the army goes out killing, for example, church workers, people working with non-government organizations who are trying to build up the people in Haiti from the grassroots.

They however are willing to confront the army and the dictatorship in that country for the first time, and this is a remarkable change in attitude for the people of Haiti who for too long have been cowed into silence and submission by very cruel and abusive regimes.

They are willing to try and confront the illegal dictatorship which exists in that country today. They do need our support. They do feel that they cannot do it alone. I understand through my sources that they welcome our imposition of sanctions against their country, but they wanted our action to come before now.

It is unfortunate that it has taken until today for our own government to make its announcement of sanctions. We hope now that the statement has been made the government will proceed quickly to make sure these sanctions have effect.

I am also concerned with the legislation the minister alludes to which will come forward shortly and will allow Canada to freeze all assets of the Haitian government in Canada. I am very concerned that legislation must be brought forward to the floor of this House as quickly as possible because in Haiti, the disparity between rich and poor is enormous.

It is the rich who must be convinced that Aristide must return to their country. They can be so convinced if we make their affluent lifestyle difficult to achieve. Already it is shown that in Haiti there are cracks in the ruling elite families in that country. Of those who traditionally would have been opposed totally to Aristide, some of them are now changing just with the threat of sanctions to thinking that perhaps Aristide must return to their country.

• (1520)

One of the issues that was also raised by the minister was that of Canadian aid delivery to Haiti. The announcement was made within days of the coup in Haiti that our government would be immediately suspending bilateral government to government assistance to Haiti. I think it is very important to point out that by far the bulk of that bilateral government to government supposed assistance to Haiti, or what we normally think of as government to government, in this case of bilateral aid, was the Canadian government acting through Canadian non-government organizations for assistance programs to help people in Haiti at the grassroots level. It was not the Canadian government's direct funding and assistance to the Haitian government that was cancelled. It was Canadian government assistance which, in the majority, supported Canadian non-government organizations in their work at the grassroots level in Haiti.

It is very important that, as the minister says, we are not applying sanctions to damage or bring damage to the Haitian people, the grassroots, the more than six million citizens of Haiti who live in stark poverty. We are bringing in sanctions to try to bring back their democratically elected president.

We therefore must be very careful when we say that we will cut aid to that country, we are not unnecessarily jeopardizing the very people in Haiti who support Aristide. It is important perhaps to review some of the

programs that might have brought direct assistance which is still necessary to the grassroots at this time.

We have a long list of Canadian NGOs which are receiving funding through that program. For example, there was a program to *Ameliorer la viabilité économique des micro-entreprises rurales et urbaines*. Another project that was proposed to bring about *l'augmentation de la production agricole ainsi que l'amelioration du niveau de santé de la population*, the improvement of the health of the population. That is of concern to us as well.

It is important that this country also follow through on the agreement to send an observer mission into Haiti. There has been a promise of 1,000 people going into Haiti. I would like to know what Canada's particular role is and what proposals there are for our involvement in that team in the country at this time. As we want to protect against human rights violations in Haiti, it is important that this observer team be in there to help the growth of the democratic process in Haiti. We want to be assured that our government is also committed to that action.

In conclusion, we are pleased that at last we have heard from the government very specifically about the sanctions it is bringing into Haiti starting today. We hope the government will continue to add to the program which was supported by the Organization of American States to assure that President Aristide is returned into power in Haiti.

[*Translation*]

Mr. John Brewin (Victoria): Mr. Speaker, we as New Democrats support wholeheartedly the measures announced by the government. The international community, including Canada, must do everything it can to restore the government of Jean Aristide. For many years, Haitians were denied social justice.

[*English*]

We fully and completely support the measures the government has announced today in respect of Haiti. I would just like to make it clear that we have a couple of concerns, but before I do just let me restate our complete support for any effort the government can make to try to see that the democratically elected government of Jean Aristide is restored to power as quickly as possible. The government has our complete support on that and on any measures it can take in this respect. Let me ask a couple of questions indirectly. This is not really Question Period, so I cannot do it in that way. Perhaps I could encourage the government, in whatever way the minister can do so, to clarify a couple of points.

First, in respect to humanitarian aid, the government seems to define this as food but presumably there would be other items that might well be included in humanitarian aid, such as medicine.

Second, I wonder if the government could also clarify the situation in respect of existing bilateral development projects undertaken by NGOs. It has come to my attention that there are still some questions about the extent to which government measures affect those existing development projects and the existing lines of credit and loans.

I should say that we do understand and support sanctions in this context. I would find it helpful if the government could also, at some point in the near future, indicate to the House the context of this as part of an over-all strategy, including the timing the government would anticipate to keep the pressure on the regime now in power in Haiti. Sanctions alone are a tool. They are a difficult tool because they create problems for the people involved. The government will be aware of the reflection, the echo in this Chamber of the debate of a year ago about sanctions in Iraq. Then we had the government saying: "These are not going to work quickly enough, therefore, we have to be prepared to move in with military force".

Obviously all members of this House would agree that military force here should be only used as an absolute last resort. It is important that sanctions be seen within a timetable, within a general strategy that the OAS and other countries that are focusing on this problem are using.

Let me conclude with a couple of comments about the larger context. All countries which are members of OAS, particularly all the rich countries and the industrialized nations in general, have to share some responsibility for the plight of the people in Haiti. For too long governments in rich societies have essentially participated in the exploitation of the people in countries like Haiti, and Haiti in particular. It is very important that we learn the lesson here. We are in an almost intractable situation unless these sanctions can work.

We could have intervened long ago to respond to the efforts of those people when they had the opportunity to build social justice and to recognize the causes and to see that. In the larger world picture, we are going to have to change our ways in the rich part of the world if we are going to build a world of social justice so these terrible tragedies do not happen.

I particularly plead with the government and with this minister to take a second look at the direction CIDA is going in terms of its development, the moneys and funds available for development assistance and for the direction this government is going in terms of the international economic world order. We need a change whereby social justice for the poor and disaffected in this world have an opportunity to be heard. This would be a place to start.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, on a point of order. I attended the presidential inauguration in Haiti of Jean-Bertrand Aristide, and I want to express my regrets—and I believe I am not alone in this respect—that under the present Standing Orders we cannot take part in this debate.

I see my friend, the hon. member for Saint-Léonard, the whip who allowed me to go to the inauguration in Haiti, and I simply wanted to give the House advance notice—and I see here my colleague, Mr. Cole, who was in Quebec City with me and also in Toronto—I simply want to give notice that I, as a member of the House management committee, and my friend, the hon. member for Saint-Léonard, the vice-chairman of this committee, intend to raise this question, because so many people are asking us why we cannot take part in a debate that is really important to all members. This is an opportunity for all members to take an active part in debate in the House.

We herewith give notice that we intend to raise this question before the House management committee, at the first opportunity. Thank you for your patience.

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• (1530)

PUBLIC ACCOUNTS

PRESENTATION OF THIRD REPORT OF STANDING COMMITTEE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Public Accounts. Chapter IX of this report deals with the Auditor General's Report for 1990. The report that I am presenting deals in particular with verifying the security of information. Pursuant to Standing Order 109, the committee asks the government to table a reply within 90 days.

Furthermore, I would like to draw the attention of the House to the fact that the committee which I chair studied very carefully the whole issue of the security of information contained in the government's computers. The committee would like to have a debate on this question. I will publish a notice to have this report debated and, hopefully, adopted by the House.

[*Editor's Note: See today's Votes and Proceedings.*]

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CANADA-FINLAND INCOME TAX CONVENTION ACT, 1991

MEASURE TO ENACT

Hon. William Winegard (for the Minister of State (Finance and Privatization)) moved that Bill S-2, an act to implement conventions between Canada and Finland, Canada and the Czech and Slovak Federal Republic and Canada and the United Mexican States for the avoidance of double taxation with respect to income tax and the prevention of fiscal evasion and a convention between Canada and the United Mexican States for the exchange of information with respect to taxes, be read the first time.

Motion agreed to and bill read first time.

* * *

[*English*]

PETITIONS

WATER DIVERSION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to rise under Standing Order 36 to present a petition to the House signed primarily by the residents of the interior of British Columbia. It is on the very important matter of water diversion.

The petitioners call upon Parliament to urge the government to state categorically—because as far as we know that has not been done yet—that it will not permit our freshwater rivers to be dammed and diverted into

the U.S.A. and to state that our Canadian rivers are not for sale.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I too have a similar petition signed by a number of residents mainly from the Shuswap Lake area in British Columbia. They also point out their concerns with plans announced by a Vancouver based company to dam the North Thompson River at Valemount and sell water to the San Diego, California, region.

The petitioners are asking the government to state very clearly to all the principals involved that our waters are not to be dammed for export purposes.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): On another matter, Mr. Speaker, petitioners from Kamloops, and that region, point out their concern regarding the continued service of the RCM Police and note that they want to ensure that the RCMP have the proper financial support to fulfil its mandate.

The petitioners are urging the government to properly fund the RCMP.

EDUCATION

Mr. John Nunziata (York South—Weston): Mr. Speaker, I would like to present a petition that was circulated by Mrs. Hazel Gontier of 90 Falstaff Avenue. This petition is about national responsibility as far as education is concerned.

The petitioners call upon Parliament to urge the government to commit itself to the importance of accessible education for all Canadians and urge it to increase Established Programs Financing for education and remove other barriers from preventing students from obtaining a quality education.

ROYAL CANADIAN MOUNTED POLICE

Mr. Derek Blackburn (Brant): Mr. Speaker, I too have a petition signed by several constituents, mainly from British Columbia, who urge the government to consider restoring proper funding to the RCMP so that it can fulfil its mandate and role as the only visible police force for communities across British Columbia and remain as a viable symbol of Canadian unity.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. John E. Cole (York—Simcoe): Mr. Speaker, the following questions will be answered today: Nos. 3 and 75.

[*Text*]

CANADIAN MULTICULTURALISM ADVISORY COMMITTEE

Question No. 3—**Mrs. Maheu:**

Since February 9, 1990, (*a*) how much has the government spent on the Canadian Multiculturalism Advisory Committee (*b*) how much has been spent by each member of the committee (*c*) has the committee reported to the Minister of State (Multiculturalism and Citizenship) and, if so, will the minister table the report?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): (a) Amount spent by the Canadian Multiculturalism Advisory Committee for the carrying out of its mandate inclusive of 5 national and 11 executive meetings held across the country from February 9, 1990 to May 13, 1991 is: $463,882.50.

(b) Members' expenditures from February 9, 1990 to May 13, 1991:

Alex Yeung	$ 6,352.78
Jill Wyatt	6,837.60
Fran Williams	3,054.95
Morton Weinfeld	4,906.20
B. Sandhawalia	5,543.23
George Saine	7,326.28
Ellen Sacoco	7,220.87
Valmond Romily	21,464.69
Gail Roberts	7,628.70
Alan Rose	2,324.31
Peter Rekai	2,574.40
Darlene Rebello	7,278.72
Marcel Quirion	5,591.51
Pharès Pierre	5,949.12
Thi Ngnoc Lan Phan	6,137.16
Roman Petryshyn	6,333.48

Jean Pelletier	4,668.50
Don Oliver	500.00
Karen Mock	25,230.03
Joseph Miller	5,539.49
Bhupinder Mahal	5,407.86
David Langtry	1,583.70
Robinson Koilpillai	6,083.03
Rita Karakas	1,217.50
Tracy Lee Jones	4,320.77
Corinne Jette	7,662.45
Arno Jansen	7,753.04
Heather Irving	5,268.70
Maggie Ip	10,548.43
John Harker	6,833.20
James Harding	5,225.76
Gail Grant	4,861.77
Khadiga Fahmy	5,214.15
Don Dobrijevic	5,799.99
Enza Colavecchia	6,880.66
Maria Campbell	1,571.60
Yvonne Blackwood	6,008.87
Morton Beiser	14,772.11
Pierre Anctil	11,040.53

(c) The committee will be submitting its report to the minister in November, 1991.

MEMORANDUM OF UNDERSTANDING ON THE SOFTWOOD LUMBER TARIFF

Question No. 75—**Mr. Gardiner:**

For the period October 13, 1989 to February 28, 1991, did the government receive any (a) communiqués (b) messages (c) formal advisories (d) letters from any level of government, commission or private organization in the United States respecting the memorandum of agreement regarding the softwood lumber tariff and, if so, in each case (i) how many (ii) on what date (iii) which department received the information?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): In so far as External Affairs and International Trade Canada are concerned, the reply is as follows:

For the period October 13, 1989 to February 28, 1991, External Affairs and International Trade Canada received 26 communiqués, messages, formal advisories, and letters from the U.S. government, commissions and private organizations in the U.S. regarding the softwood lumber memorandum of understanding. A list of dates of the correspondence received is attached.

Correspondence on the Softwood Lumber MOU received from U.S. sources

Received by EAITC Headquarters	Received by Canadian Embassy, Washington, D.C.
October 16, 1989	November 16, 1990
November 2, 1989	
December 1, 1989	
December 1, 1989	
December 11, 1989	
December 22, 1989	
December 22, 1989	
January 17, 1990	
February 7, 1990	
February 14, 1990	
March 22, 1990	
April 11, 1990	
April 13, 1990	
April 18, 1990	
June 25, 1990	
July 6, 1990	
July 12, 1990	
July 25, 1990	
July 27, 1990	
August 15, 1990	
September 19, 1990	
September 26, 1990	
October 12, 1990	
October 17, 1990	
January 14, 1991	

[*English*]

The Acting Speaker (Mr. DeBlois): The questions as enumerated by the parliamentary secretary have been answered.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. John E. Cole (York—Simcoe): Mr. Speaker, if Question No. 106 could be made an Order for Return, the return would be tabled immediately.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House that Question No. 106 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

Question No. 106—**Ms. Hunter:**

Does the Department of the Environment distribute news clippings to persons and/or organizations and, if so, (a) what is the cost per page (b) which persons and/or organizations have been (i) deleted from the distribution list (ii) added to the distribution list since the appointment of Jean Charest as minister?

Return tabled.

[*English*]

Mr. Cole: I ask that the remaining questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

Mr. Riis: I have a very short point of order, Mr. Speaker, following up on my colleague, my hon. friend from Oshawa.

There have been some informal discussions between the parties regarding the items and actions that led up to the mace incident. Regarding the whole matter of bells, when they should ring, for how long, and the role of the Whips and so on, this matter is now being referred to the appropriate standing committee for reconsideration, study, and presumably some recommendations back.

I would like to make that point clear and hopefully the management committee will look into that whole matter and bring back recommendations for the House.

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed from Friday, November 1, 1991, consideration of the motion of Mr. Blais that Bill C–22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations; and the amendment of Mr. Rodriguez (p. 4192).

The Acting Speaker (Mr. DeBlois): I remind all members that the order of the day is Bill C–22. Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

Mr. Hawkes: Mr. Speaker, it might save some disruption to members if you understand that we will be deferring the vote until shortly after three o'clock tomorrow.

I know that the bells are supposed to ring, but with unanimous consent of the House I think we can forgo the ringing of the bells on the understanding that the recorded division will be held at three o'clock tomorrow afternoon.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): So ordered.

* * *

• (1540)

[*Translation*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Lewis that Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator, be read the second time and referred to Legislative Committee G.

The Acting Speaker (Mr. DeBlois): When the debate was suspended at two o'clock, seven minutes remained in the period for questions and comments after the speech by the hon. member for Mississauga West. Questions and comments. The hon. member for Scarborough—Rouge River.

[*English*]

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, in the remarks which were made by the hon. member for Mississauga West just prior to Question Period, I took note of the fact that he mentioned the concept of crime prevention.

Lest anyone be under an illusion that the government's bill here addresses crime prevention, I wanted to ask a question of the hon. member. I know that he is the chairman of the justice and solicitor general committee here in the House. He does a real good job in that capacity.

We all know that simply passing a law or amending an act does absolutely nothing to prevent crime. Since the hon. member did mention crime prevention, and I am sure he would acknowledge that simply passing a bill does not prevent crime, perhaps he could give us the benefit of his wisdom and experience in explaining some of the crime prevention initiatives that the government has undertaken in the last while, at least since I have been elected in 1988, and in the near future.

Mr. Horner: Mr. Speaker, he is absolutely right. I did mention crime prevention only by saying when it was brought up that the $2 million budget set aside for crime prevention was to be cancelled.

I have since found out that that $2 million in the budget was in fact $340,000, and crime prevention week had been so well received that it was possible to cancel the program. It has been taken over by community groups.

However, the hon. member asks: What does this bill do for crime prevention? We all know that this bill does not do a lot for crime prevention, but during crime prevention week, we are bringing in other bills. Does he not believe that the bill to increase gun control will help? Does he not believe that the amendments to the Young Offenders Act will help? Does he not believe that some of the other initiatives that we are putting forward will help?

Maybe this bill will not directly reduce crime, but think about it. If you have a dangerous offender that cannot be rehabilitated and you keep him in jail longer, surely it cuts down on the danger and the crime that will be heaped upon the public by this person while he is out.

We will keep him within the penitentiary system.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I would also like to question the hon. member for Mississauga West. In the whole process of parolees, the idea is to make sure they are integrated back into the community.

I would like to ask the hon. member how many halfway houses does he have in Mississauga West, and where does he recommend that these halfway houses be established under the present legislation?

Mr. Horner: Mr. Speaker, I believe we only have one halfway House in Mississauga West at the present time.

These are established in various places around the country in accordance with where the present population is so that they can have support of their families and

their friends when they are being reintegrated into society.

They must be set up where the largest prison populations are. Right now, the largest prison populations are in Ontario.

I will admit that one of the things we must be working toward, striving very strongly toward, is rehabilitation.

I believe that rehabilitation must take a back seat to protection of the public. That is what this bill does, it does protect the public.

The Acting Speaker (Mr. DeBlois): Very briefly, the hon. member for Parkdale—High Park.

Mr. Flis: I would like to ask a short supplementary.

In 1986 when his government was in power it did open up an Exodus Link in Parkdale—High Park without any consultation with the community. The community was up in arms because it was getting fed up with trying to integrate parolees, very severe former convicts, sex offenders, murderers, et cetera in Parkdale—High Park.

My point is this. Should not all communities accept their fair share in integrating these former convicts into their communities? I submit to the hon. member that maybe he should have a talk with Peel county because I do not believe Mississauga has taken its fair share of halfway houses and as a result poor Parkdale residents have to shoulder the burden.

Mr. Horner: I well remember the Exodus Link situation and I do agree that there must be consultation with communities before halfway houses are set up.

We must remember that Parkdale—High Park is within metropolitan Toronto and if it is the largest group of penitentiary inmates coming out to halfway houses, the inmates must be able to go to a halfway house close to their families so that they can have family support. Family support is very important. I beg your pardon?

Mr. Flis: They do not all come from Parkdale—High Park.

Mr. Horner: They must come from close to Parkdale—High Park then.

Mr. Flis: From Mississauga.

Mr. Horner: No, they are not all from Mississauga, I can tell you that. Mississauga will certainly do its share, I can tell you that.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am very pleased to have an opportunity after being in this House now for almost three years to address a bill that approaches a reform initiative, one that my constituents and I and all other members of the House have been waiting for for a long time. It has been a little bit too long in coming, but let us pass over the niceties here and get down to the bill itself.

In 1987 and 1988 members of the justice committee at that time devoted long hours of labour and study to produce a report entitled *Taking Responsibility*. Today in the House the member for York South—Weston, the member for Peterborough and the member for Mississauga West were on that committee. That was actually, I thought, a bit of a landmark. It was comprehensive, it was direct and to the point.

That report was not replied to by the government because of the election which occurred about two months after it was reported to the House. The justice committee which was formed after the last election, and I have been an active member of that committee, found that report so good and comprehensive, it readopted the same report, and it reported it to this House.

The government did reply and as part of the reply it included a number of initiatives. Although much belated, they did appear to address a number of the problems, at least optically.

The background of this is more than just a committee report. There are, in the corrections area, a whole litany of tragedies which I do not want to dwell on for too long, but they are an essential part of the understanding of what has brought the government to this reform initiative. They are tragedies, they are horror stories, they are sad, they involve innocent victims, and they involve individuals who were serving time or on parole in the correction system. The names involved are, and I use the name of the offender as opposed to that of the victim, Stanton, Gingras, Legere, Fredericks, and there are others.

• (1550)

These cases and others are the worst of them. They involve homicides. They involve the deaths of innocent Canadians, men, women and children in those four

cases, totally innocent individuals who fell victim to individuals who, with 20/20 hindsight should never have been free, whether they escaped or whether they were released on the streets in Canada.

These cases involved errors in judgment and systemic errors, gross systemic errors, some of which have been rectified. But there are others which remain to be rectified through this legislation and, in my view, in other things that still must be done.

These unfortunate cases manifest flaws in the corrections system and in the criminal justice system. They manifest an insecurity on the part of the Canadians in our criminal justice system. This sense of insecurity is really there and it is there for good reason.

We must remember that the public safety issue is much broader than corrections and conditional release and parole. It is much broader than that. The public safety net includes the Criminal Code and sentencing. In all of that, I would point out that the government's promised Criminal Code reform initiative has not yet been brought to Parliament. I have been here three years. It has been promised and it is not here yet. I take note of another part of the criminal justice system which is not solely a federal responsibility. That is criminal procedure, which is the responsibility of the provinces. In the province of Ontario, where my riding is included, a relatively recent Supreme Court decision, referred to as the Askov decision, is now resulting in the dismissal and withdrawal of numerous criminal cases, criminal charges. This is not just a few but thousands of charges. The numbers are still accumulating.

Is it any wonder that Canadians feel insecure when they read that thousands of charges against alleged criminals, many of them repeat offenders, are being withdrawn and dropped because the Crown is not able to proceed?

The Criminal Code, the sentencing regime, the Young Offenders Act, the Extradition Act, mental disorders reform legislation, gun control and other aspects are in front of this House. Some of these reforms attempt to address problems in the system. Others try, but in my view they are not going to achieve the goal intended. At least the initiative has commenced.

Historically the people in our democratic society cut a deal with their king and their deal was: "We will give you tax dollars; you must take care of public safety". If that did not happen, the ordinary Canadian was going to go out and take care of justice himself or herself. That is a system that leads to chaos. We opted for another one and we did it many years ago.

Canadians are not going to accept a system that delivers anything less than the public safety they bargained for in the social contract that was built up over centuries in the western world.

The government's reform agenda now, including corrections, I submit is not simply their own initiative. The motivator for much of what the government is presenting to the House this year is media driven and Supreme Court of Canada driven. You do not have to look very far to see what pushed the government to address these reforms. It was not an awareness that problems existed. It was media and decisions of the Supreme Court of Canada.

The Swain decision in the Supreme Court of Canada was the factor that prompted the government to introduce its reforms in the mental disorder and insanity area. It was the Gingras case, which took place principally in the province of Alberta, that made the government come forward with reforms in the corrections area. There was also the Stanton case. It was the Ng decision in the Supreme Court, the Charles Ng fiasco, that caused the government to finally pull the Extradition Act off the back burner. It had been sitting around long before I came to this Parliament.

I understand that it was addressed in the early 1980s and it sat and sat until that unfortunate incident involving Mr. Ng. There were other offenders as well.

I want to address for a few moments in my remarks the concepts which lay behind the parole conditional release system. They are important to keep in mind as we address this bill. When the corrections system operates properly, it depends on a balance of factors. There are at least three which should be kept in mind.

The first one is public safety, the second is rehabilitation and the third is deterrence. Number one on that list is public safety. It was number one on the list of Canadians when they made the bargain with their government. This was the social contract that was conceptually made way back in the 1300s, 1400s and 1500s with the king. In any event, that was number one

on the list. Somewhere between then and now it went down the list. I do not know how far down but somewhere along the line someone in government forgot about public safety.

I am pleased to see at least in the press releases accompanying this bill public safety is touted as being back up in the number one spot.

I want to note for the record that I am not under any illusion that by reforming or amending the corrections system we are perhaps going to solve all of the public safety problems. We are not. By dealing in the corrections area, with one exception, we are only treating the symptoms of crime and public safety. We are not dealing with the causes. That one exception is when the correction system succeeds in the rehabilitation, or assisting in the rehabilitation, of an inmate who does not come back, who is not a recidivist.

I do not have any illusions and I hope that neither Canadians, nor anyone in this House, have any illusions. The reforms must be there and we have to address them.

This has been a terrible year in metro Toronto. There has been a large increase in crime. We have had more murders than we have ever had before.

I noted a 34 per cent increase in youth crime across the country. Those figures do not include Ontario. For reasons which have not been explained to me, Ontario was not able to get its statistics organized in time for that survey. I have already mentioned the fiasco in criminal procedure as a result of the Askov decision, whereby thousands of criminal cases are not being proceeded with or prosecuted.

I do not think that dealing with this corrections and conditional release bill at committee, we are going to solve all of the problems. We are going to start to work on some of the obvious systemic problems that have developed over the years.

On the issue of deterrence, which is one of those three factors, I wanted to spend a moment or two on the issue of deterrence and white collar crime.

• (1600)

As part of this bill there is a proposal that access to parole would be expedited, that the parole eligibility date would be accelerated for non-violent offenders.

I am trying to understand if the government has lost sight of deterrence for white collar crime. By white collar crime I am talking about crime where there is no violence. I am talking about fraud, the so-called victimless crimes potentially involving millions of dollars. What deterrence is there for a white collar criminal who might receive a sentence of five years or seven years? That is pretty heavy for fraud, but let us say that is what the sentence is. Who knows that because they are non-violent they are going to get out sooner? They would get an accelerated parole date which would even be earlier than the one-third of sentence threshold which is usual now. Even under this bill it will continue to be usual for consideration of parole eligibility. I think the government has lost sight of deterrence in this bill, at least in regards to that type of crime.

There are a few other elements of the bill I thought I would address quickly, if for no other reason than to signal my friends opposite that the provisions in the bill may present problems. I took note of clause 22 of the bill which indicates that the government may pay compensation for death or disability attributable to a person's participation in an approved program for an inmate. This is compensation for an inmate who gets hurt in a penitentiary.

I do not have a big problem with that except I wonder what happened to the victim. I do not understand how the government can put this forward as being an important element of its bill when it has not bothered to stop and ask about any compensation to the victim. I do not believe that this bill addresses restitution, which is part of sentencing. I just have a sense that that particular provision, which the bureaucrats may think is needed to help them address problems within the system, has not been well thought out.

In clause 25(2) there is a reference to notifying police at the time of a release of an offender. It does not say which police. If the offender is released from a prison in British Columbia, will every police force in the country be notified: the Royal Canadian Mounted Police, the Sûreté? It does not say; it is a little vague.

Last, concerning the placement and transfer of inmates there is possibly a very alarming signal in the criteria set out that will be considered when an inmate is classified as being maximum risk or medium risk. The bill lists the criteria that the correction service will take into account. Here are the three in order: the safety of the

person and the persons in the penitentiary, the inmate; the security of the penitentiary; and, the third criterion, safety of the public.

I am sure I read in the press release accompanying this that safety of the public was first. Even if I did not read it, I think we all agree that safety of the public is first. That is why the penitentiary was built in the first place. Someone in drafting this bill has the criteria upside down. As the committee goes through this bill I hope that is just an isolated incident.

In wrapping up I want to indicate that we all know that the criminal justice system needs a lot of work and a lot of work quickly. I did not mention sentencing. We were promised a sentencing reform package almost as soon as I began sitting as a member. It has not reached the House yet.

In fairness, the justice minister is promising it soon. The Solicitor General has said it is coming. Let us say I am anxiously awaiting it, we all on this side of the House are, because sentencing goes hand in hand with corrections. It is an integral part of the justice system.

There is a lot more than this particular bill in addressing the field. The Young Offenders Act is before this House now. I want to point out something about the Extradition Act. It has been referred to by members on the government side as being a really important part of this.

The Extradition Act does not permit this country to get rid of anybody. The Extradition Act only is triggered when another state requests that Canada send somebody out of the country. We cannot use it as a tool to get rid of anybody. We can use it as a tool to get someone back into Canada from another country, and so let us not overrate the importance of the extradition system.

The problem in that area is the Immigration Act. That is where the problem is. This bill has been a long time coming. Someone said that the public seems to like this particular bill. Some of the newspapers have said that, but when you are in the Sahara desert there is no more important commodity than one cup of water. The public certainly does want to see this bill. It has been waiting a long time and it is very thirsty.

I will conclude my remarks there and I look forward to being able to deal with this bill in committee in the near future.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a comment and a question.

I should say I have asked the page, if the member does not mind, to send him a glass of water, and two for the government, plus I stole the line from the Solicitor General.

I have this question to the hon. member who last spoke. He mentioned the Extradition Act. He said the Extradition Act was sitting around.

I do not know what he meant by that. Where was it sitting? I think he must be in the Mental Disorders Act. It was passed in 1986 and then the court a few months ago said in the Swain case: "You have to bring in a new act. You have to change the procedure". It was the Mental Disorders Act. The government has brought in a new act and then claimed it was part of its fight on crime. It was forced to bring it in by the courts.

There was a private member's bill from the member for Peterborough. We debated that in the House and so on. That act was not really sitting around that way.

One of the criticisms if I might say, and I do not want to be too partisan here, is that people say the Liberal Party does not have any position on anything. It is always on both sides of every issue, and there is never any position for the Liberal Party.

An hon. member: You know better than that.

Mr. Waddell: I am just telling the members what people are saying to me. The Liberal Party has no position. I want to know from the hon. member, what is the position of the Liberal Party on the new Extradition Act?

Mr. Lee: I want to thank the hon. member for his question about the Extradition Act.

I said the Extradition Act reforms were sitting around for a long time and I meant it. The hon. member has been here a lot longer than I have and maybe he was asleep at the switch.

We have signed extradition treaties with countries in South America. They are called imperial treaties. They were entered into with Spain. The whole extradition area

is hopelessly out of whack with reality and we have been flying along by the seat of our pants with our neighbour to the south, hoping that everything would fall together.

It is only some of the more recent cases that have finally pushed the government, the bureaucracy, the Department of Justice to make reforms in their treaties and acts. This Extradition Act is not the responsibility of the Solicitor General, and it is perhaps out of order to get into a debate now about our position on the Extradition Act.

Make no mistake about it, Liberal members on this side of the House are eagerly awaiting completion of the Extradition Act reforms. I have been waiting ever since I entered this House in November 1988.

• (1610)

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to thank my colleague from Toronto for speaking on this very important bill. It is nice to see so many of our Liberal members from Toronto here today, participating in this bill because we in Toronto right now are in a desperate state. The seniors in our community have never been as nervous because of the lack of control in terms of the crime that is running rampant. Children are afraid to take subways at night in Toronto now. Their parents are meeting them at subway corners. They do not want to walk the streets at night.

Last week in my riding alone in Danforth we had something like 29 break-ins. Many of the police in the metropolitan Toronto area believe that the lack of attention to reforming bills such as today is one of the reasons why their job is a lot more difficult to do.

I wonder if the hon. member would give us an opinion as to whether these reforms, these amendments that are being put forward, are going to make the job of police officers not just in Toronto, but coast to coast, a lot easier.

Some people are purporting that this is basically tinkering and it is really not going to address the substance of the issue.

Mr. Lee: Mr. Speaker, I thank the member for Broadview—Greenwood for that question. A short answer in my view is that the amendments proposed will improve the system for people working in the corrections system. It may help the odd police officer in the odd jurisdiction. There is certainly provision for more communication between the corrections system and the police community. It is actually mandated in the bill.

The question that the member asks points up another question which had been addressed a little earlier and that is the whole issue of crime prevention. Every one of these bills with one or two minor exceptions addresses the symptoms of breaches in the criminal justice system, and not the causes of crime.

I know that other jurisdictions have been able to successfully commence programs targeting crime prevention. France has done it. The United Kingdom has commenced and a few United States jurisdictions have. One or two of the Scandinavian countries have. They have federal programs that address crime prevention, programs that attempt to go to the causes that turn individuals to crime.

That is something which this government is not addressing. I concede that about a year ago the Royal Canadian Mounted Police hosted a conference on crime prevention. It was a good initiative but I was stunned by the fact that hosting this and having spent all the money on it, it did not invite one member of Parliament. Shame on the RCMP.

If it really cared about this initiative on crime prevention, the issue that has been raised by my friend from Broadview—Greenwood, it would be doing more now, it would have done more then, and we could accomplish more in the future.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I too would like to thank my colleague from Toronto for making submissions. He has worked diligently over the last three years since his election in this particular field of criminal law reform.

Much to my chagrin, and this is my question to my colleague, I understand that the government will no longer participate in this debate. It does not intend to put up any more speakers. It has some 170 members in the House and yet it does not have any other members who wish to address this most important issue facing Canadians.

Can the member for Scarborough—Rouge River shed some light on the reasons why Conservative members of Parliament just do not appear to care about criminal law reform?

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before recognizing the hon. member, I may recall that according to the Standing Orders there should be no reference to the presence or absence of members in this House.

[*English*]

Mr. Lee: Mr. Speaker, I had no intention of addressing that very sensitive issue.

I know there are members opposite who do care a lot about the area that we are dealing with here today. I think the goal of members opposite is to get this bill through quickly without too much debate. However, without any reference to my own remarks, but with reference to the remarks of my colleague from York—South Weston and there will undoubtedly be some very positive constructive remarks of other colleagues, there are issues which we believe must be brought to the floor of the House for inclusion in debate and consideration with this bill.

The silence of members opposite need not be taken as a lack of interest but rather as a belief that their minister, the Solicitor General, and the government's bureaucrats have it all down perfectly right now and there are no mistakes. We take a different view. We want to try to improve this bill.

The Acting Speaker (Mr. DeBlois): The hon. Solicitor General on a point of order.

Mr. Lewis: Mr. Speaker, I would like to advise the House that this bill had plenty of discussion in our caucus and comes forward with the full support of the government. We have not spun out the speaker's list in order to give the opposition a full chance to speak.

Some hon. members: That is not a point of order.

Mr. Lewis: Mr. Speaker, I rise and would ask for unanimous consent, as agreed upon between the parties, to refer Bill C–36 not to the legislative committee, but to the Standing Committee on Justice and Solicitor General. Therefore, I move:

> That Bill C–36 be referred after second reading to the Standing Committee on Justice and Solicitor General.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Edmonton Southeast.

Mr. Kilgour: Mr. Speaker, with respect, a minister cannot get up on what is patently not a point of order to make a motion. He has to have the floor legitimately. It is I think clear to all of the members here, I hope including yourself, sir, that the minister did not have a bona fide point of order and was simply trying to get the floor so he could move his motion.

[*Translation*]

The Acting Speaker (Mr. DeBlois): According to the Standing Orders, a minister of the Crown may rise in the House at any time. To find out what the subject is, the Speaker must first recognize the minister, and when I saw the Solicitor General rise before debate was resumed, I felt it was entirely proper, considering our Standing Orders, to recognize the Solicitor General, who presented a motion under Standing Order 73. Of course, the consent of the House is required for tabling this motion.

[*English*]

Is there unanimous consent to accept the motion of the Solicitor General of Canada?

An hon. member: No.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for York—South Weston.

Mr. Nunziata: Mr. Speaker, we do not object on this side of the House to referring this bill to the Standing Committee on Justice and Solicitor General rather than the legislative committee when the debate at second reading is concluded in this House. We do not agree at this point to that particular motion.

We would like to see how the government conducts itself over the next few hours.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent and the matter is settled.

On a point of order, the hon. member for Port Moody—Coquitlam.

Mr. Waddell: Mr. Speaker, I think the reason we are having a little difficulty here is that the minister rose on a point of order. He started the point of order by objecting to some comments that were made by the last speaker. That was not a point of order. Liberal members were shouting at the Chair on that. The Chair should have ruled, with respect, that it was not a point of order and told the minister to sit down on it. Then the minister

could have risen on a point of order and put what he originally wanted to put.

• (1620)

If the minister does that again, on behalf of our party I would be prepared to—

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member is right, but when someone raises a point of order, the Speaker must listen to find out what the point of order is about. I recognized the minister, and he raised a point of order which may not have been in order, and subsequently presented his motion, which did not receive the unanimous consent of the House. Consequently debate is resumed.

[*English*]

But before resuming debate, I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statement Government Orders will be extended by 22 minutes.

[*Translation*]

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 Burin—St. George's—Fisheries; the hon. member for Don Valley East—The Economy; the hon. member for Ottawa West—Great Lakes; the hon. member for Victoria—Yugoslavia; the hon. member for Sault Ste. Marie—Algoma Steel.

[*English*]

Mr. David Barrett (Esquimalt—Juan de Fuca): Mr. Speaker, I want to confess at the outset that this is a bit different, perhaps for some members. I actually know something about this subject so I want to be very careful in my remarks.

I had the very good fortune or misfortune early in my career before becoming a politician of having spent my professional time as a worker in prisons. I worked in the prison setting, in corrections and in probation and parole at a very beginning position as a corrections officer. Prior to entering politics I worked in a private agency as a supervisor, and prior to that I was responsible to staff training in the province of British Columbia.

The tragedy of this particular bill has been partly touched upon by the previous speaker. This is a global problem in a community, and we pick away at it bill by bill by bill. The problem of crime in society is very complex. While we focus during a week that some suspect has political overtones on law and order for political purposes on this particular bill and other bills, we still have not dealt with a range of fundamental problems in this area.

My good friend, the Liberal member, touched on white collar crime, and I commend him for that, but I also want to talk about corporate crime. When we talk about violent crime against the individual, it is horrible, it is often amoral, it is reprehensible, and we want to punish.

However I have yet to see the director of a corporation who has poisoned water in a community knowingly and not done anything to clean it up, go to jail for that violence against the community. I have yet to see corporate directors, board members and chief executive officers who allow poisons to spew into the air from their factories go to jail. I have yet to see anyone from the corporate sector accept the moral responsibility of criminal acts such as the Ford Motor Company when it produced one of its automobiles, the Pinto, with the knowledge that the car would burst into flames unless it had a shield around the gas tank and that shield cost $1.50 and it did nothing about it.

Let us understand what we are talking about in broader terms than just an individual crime and an individual act of violence. As horrible as it is, let us understand that we have not one standard of law, not two standards of law, but perhaps three or four.

When I talk about the global picture I make the claim that one of the areas in the global picture that has been absolutely neglected is the criminal aspect about corporate decisions that violate the health of individual citizens in our society.

The white collar criminals to whom my friend alluded tend to get off with a a light slap on the wrist for offences that destroy the lives of tens of hundreds of people in our society: witness the failure of financial institutions by fraud, witness the failure of large savings institutions where the corporate offenders have been quietly slapped on the wrist and walk away from their responsibilities.

Let us look at who is in jail, the people who are in jail. I am not making a plea for them just because someone else is not in jail, but frequently people who should be in jail are not in jail because the global view of responsibility in our society is not all encompassing. Having said

that and the government having listened, I know it is going to bring in redeeming legislation immediately.

Turning to the matter at hand in this bill, my good friend, the Liberal member from Toronto, also touched on another aspect of this that he was perfectly correct on, and that is prevention. Since 1936 this Chamber has authorized at least eight separate royal commissions on the question of crime and punishment, our federal penitentiaries and our dealings with probation and parole. In almost every single instance none of those recommendations has been followed by any succeeding government since 1936, be it Liberal or Tory.

Let us understand who the victims are, who the criminals are and our response to both. I want to deal first with those who end up in our prisons. It is a fact that rich people do not go to jail. Rarely do they go to jail. On occasion when they do go to jail for violent crimes, frequently they end up as the focus of a television show or a movie because it is so rare.

But when poor people go to jail it is just to continue the system and the system does just as much harm to the people who are the victims, the criminals, the staff of the institutions, as well as society.

Let me deal with one glaring fault of this kind of legislation, although it is a step forward. When we talk about parole, the whole parole system is based on the concept that if you behave yourself in jail you will get out earlier.

An hon. member: Not any more.

Mr. Barrett: "Not any more", my friend says. Let me tell my friend that those who learn to adjust in prison, those who learn to play the game, those who are able to manipulate, are the ones who get the recommendation that they are at low risk in parole.

Let us talk about low risk. If somebody is at low risk in parole, should they have been in jail in the first place? I submit that there is a significant number of people who should have been placed on probation in the first place with the loss of time and the loss of income.

In my province of British Columbia we modelled a program on a scheme of weekend jails. We sent people to jail on weekends once they were convicted of a crime of a minor nature. During the week we asked those people to continue at their jobs and pay back the money they stole or pay for any damage they created. On the weekend they went to prison and their social time that was most valuable to them was taken away as a punishment. While they were incarcerated on the weekends, not in a full-fledged prison but incarcerated nonetheless, we demanded they pay room and board while they were in jail.

Is that a novel idea? People within the normal range who bend the rules and commit minor offences should understand that the first obligation is back to the victim in society. You pay back, you make restitution, and you do that by working, not by living in jail. Second, if you are going to be deprived of your weekend because of this crime, we insist you pay for your own room and board. The state should not do that. That concept came out of Holland and it is known as diminished responsibility.

• (1630)

Why were the Dutch still leading in the world and still continue to lead in the world in the concept of diminished responsibility? It was because at the beginning of World War II most of the Dutch politicians were thrown in jail. As that horrible experience ended at the end of World War II, those politicians came out and changed the whole criminal justice system in the country of Holland.

Far be it from me to suggest that everybody in this place be locked up for a while. It might have a salutary effect in an understanding of what prisons are all about.

Now let us talk about the unspeakable, what happens in prison when we talk about rehabilitation. When a young male of 16, 17 or 18 comes into a prison setting in a federal penitentiary after being convicted of a crime, and especially if he is from a poverty background, the first thing that is done is that straws are drawn to see who that young male will service in homosexual acts perpetrated on new young offenders in the prison, simply because they are without guile, they are without experience, and they become the prey of older, wiser men in prisons.

This may come as a shock to my colleagues. Prisons are not a pretty place. We have made no conscious effort to separate young offenders from adult prisons and, as a consequence, some of the most unspeakable experiences

that happen to young people happen in the two or three weeks after they enter prison.

That is not discussed in committee. That is not discussed with the parole board. We do not make physical separation between the older, tougher prisoners who really run the institution in many instances. We must remember that the prisoners are there 24 hours a day. The staff is only there doing life on the instalment plan, eight-hour shifts as they go along. The institutions are generally hopeful that they will be run quietly, and the way to run an institution quietly is not to have any trouble and to turn the other eye.

I want to commend this minister for having the good sense to have at least condoms made available in our adult male prisons. It was he who did that, was it not? I want to commend the minister for realistically dealing with the fundamental problem.

Mr. Nunziata: How about needles? Do you support needles in prison too?

Mr. Barrett: Wait a minute. I am very serious about this. I am not talking about needles, but I will come to drugs in prison in a minute.

I want to be very clear about what I am saying. I want to support the minister for making condoms available, because at least it is a realistic, honest statement about part of what is repulsive that happens in prisons.

The public should understand that these things go on. When there is an effort within a prison setting to teach people on this word reformation, we must understand that we have to separate who we are dealing with and how we treat people. Violent sexual offenders are the most dangerous offenders in our institutions. Generally they are psychopathic or serial killers who are also psychopathic and are extremely dangerous.

Some of these people should never ever be released, never ever be released. We must devise a system that recognizes we cannot be successful in rehabilitation in every single case. When we give a mandatory sentence to particular offenders who are absolutely out of control and when the sentence is over we do not give such persons parole. We close the gates behind them and release them in most instances sicker than they were when they went into jail. That is no protection for the public.

I plead with the Solicitor General to deal with the problem of the right of individuals to end a sentence and to know that they can get out of prison.

I also appeal to the Solicitor General to look at the Dutch model, a diminished responsibility, and understand there are some people, in our limited capacity as human beings, whom we simply do not know enough about and they should never ever be foisted back in the community again. At the same time, those people should be separated, isolated and not blanketed under the habitual criminal rule that is a failure in this country, but examined on the individual basis of each offender.

For those we are going to release, and this act of parole, it is all very well to say that this particular offender has not behaved himself or herself in prison, this particular offender is a high risk and therefore should not be allowed on parole, but we cannot justify that in every case if we still continue a system that permits very sick people to come out at the end of their sentence anyway.

I think it is a shame on this Parliament if we diminish our role of supervision of a parolee closer to the end of their sentence only to have authority of perhaps the last six months or year of their limited time in prison and put the community at risk for a repeat of the crime.

Not every parole is a risk. Most paroles are safe and can be covered and adequately supervised. But for dangerous offenders it is a risk and that is where the maximum support, supervision and control must be maintained and that costs money. That costs a lot of money. You cannot do it when you have parole officers who have cases of 100 or 200 or 300 parolees.

In the case of seriously ill people whom we release, the parole officers should not have more than 10 or 15 cases, period. I allude to the horrible serial killing in Milwaukee recently. It did not happen in this country but I think we have to understand that we have a comparable social and cultural pattern, certainly on television.

The parole officer involved in that case did not have the time to go to that individual's home to check out complaints. It is a known fact that as one reviewed publicly the horror story and the build up around that serial killer, human body parts were being cooked down

in that offenders own apartment and the parole officer never visited once. Why? Because he was frankly too busy with 200 and 300 cases. That is not good enough.

I appeal to this government to understand that if you want proper parole supervision, sexual offenders, dangerous sociopathic or psychopathic offenders, who are going to be paroled, must have maximum supervision and the caseload of highly qualified parole officers should not exceed 15 or 20 at the very, very most.

What kind of parole officers? In my day you had to be very highly trained to be a parole officer. The job paid a reasonable amount of money. Now I would ask the government to see what a parole officer earns. Check the turnover of the staff, see how many cases they carry and check on their qualifications.

When I first started as a social worker at the Children's Aid Society I had 78 children in care. Most of these children faced the trauma of being separated from their natural parents and put into institutions or into foster homes. When I left that first experience I knew very well, as a social worker dealing with 78 kids, that it was impossible for me to do the job properly.

Today, social workers in almost every province of this country deal with caseloads of 200, 300 and 400 children who need care.

I leave parole and go to preventative work.

• (1640)

If you track back to the primary beginnings of most of the offenders you find in many instances child abuse, neglect, poverty as common symptoms around which crime seeds itself and spawns.

The services to children in this country have actually been diminished by this government and other governments by putting a cap on transfer payments, by cutting back on services to children, by cutting back on auxiliary help in educational institutions.

You do not have to be an expert. In any home, in any community of this country, people sit down and over their own dinner table say: "If somebody does not do something with Johnny or Susie soon they are going to be in trouble". Unfortunately and regrettably most of our predictions are correct.

I make an appeal to this government to understand that we are talking here about a global picture. I have touched just a little bit on a number of points that stick out. All of this bill is meaningless, all of the bill on youthful offenders is meaningless unless we are prepared to go back to the very foundations of our community and guarantee every single child housing, food, education and access to love and to care.

An hon. member: Utopia.

Mr. Barrett: My good friend says "Utopia". I agree it is Utopia, but God help those who do not strive for Utopia, especially in the face of the facts of neglect that is now taking place in the social services and corrections in this country.

I have so much more to say, not because I am correct, but because I have seen it. I make this plea on the basis of what I have seen.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I was very much interested in my friend's comments about the government's approach to white collar crime. I too share his concerns. The government seems to be placing less emphasis as far as the penitentiary service is concerned with regard to white collar crime.

When we talk about white collar crime, the government refers to it as accelerated review so that first time offenders convicted of non-violent crimes can go in and out of the system as quickly as possible.

The concern I have and the concern that a great number of people have is with regard to the issue of deterrence. What is there to deter a white collar criminal from perpetrating a major fraud, let us say, a lawyer or a banker from defrauding thousands of people of their life savings? What is there to deter a company from polluting the environment? That would be considered a white collar crime.

This government wants to send out a message that we are not going to treat these offences as seriously as we have in the past. I am a bit perplexed at the member. On the one hand he seems to want to come down heavy on the white collar criminals and then on the other hand he says that a lot of people who are in prison ought not to be there.

Would he not agree that we have to continue to jail white collar criminals in order to send a very clear message out that society does not tolerate these types of

crimes that could be perpetrated on a large number of people?

Mr. Barrett: Mr. Speaker, I want to thank my colleague for an earnestly put, very serious question. I want to go back to my very brief comments about the Dutch system which I would recommend to this House in committee in dealing with these problems. There is a particular psychiatrist in Holland who was the founder of this approach, Dr. Audubon and it was diminished responsibility.

My good friend raises the question about punishment and deterrence for white collar crime. If deterrence were a factor, say, in the Arabic code or in the Justinian code or our code, then it would have worked. Some societies cut people's hands off for stealing. They still steal. Other people still do it. Other places have capital punishment. It does not stop crime except for that particular person who has had the capital punishment.

In this country alone you will see that the absence of capital punishment has relatively no influence whatsoever on the incidence of commission of violent crime. I want the member to look at the statistics.

What do we do with white collar criminals? The first thing that I think must be done is a message must go out that we do not have a wink and nudge approach to white collar crime, that anybody who pollutes or steals from other people is going to be dealt with severely.

How do we deal with them severely? If you look at recent cases in the United States, in which people have stolen $10 million, $20 million or $30 million on the stock market and get fined, like Mr. Boskey or others, a million dollars, they are still nine million bucks ahead, or $10 million ahead. Every single penny that can be recovered from white collar crime should be immediately a part of the fine. Let it be understood that there is no reward, that you cannot buy your way out of the system and that if you hire the best lawyers in the world you are still going to lose your ill-gotten gains. I think we should make that as a basis.

Second, and the more serious one, the polluters of the atmosphere, the poisoners of waters or the continuous manufacturer of threatening goods such as the Ford Pinto should go to jail and taste what it is like to be in those abominable social situations at some of the worst penitentiaries in North America. Let them experience it, because on the basis of diminished responsibility, they will understand far more clearly the situation they are in than somebody who has been a repeat offender.

To my colleague, I will commend the Dutch system. My time is up, apparently.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, thank you for giving me the floor. I listened very carefully to what the hon. member said, although I had some trouble following his speech, and I also have a few questions.

I do not know whether the hon. member has any penitentiaries in his riding, but my riding happens to have the biggest correctional centre in Canada. In fact, there are five in my riding, all next door to each other. If I may refresh his memory, I could name one that is very well known: the old Saint-Vincent de Paul "pen", the old penitentiary, a lot of escapes and a lot of problems for the community.

The hon. member referred earlier to cases of suicide among correctional officers and parole officers who I think are doing a wonderful job. Of course, these people are not perfect, they are only human, but we cannot afford to make mistakes. And above all, we must not try to bury the answer in the files, as is being done today. The truth is often buried in the files, and no one can find it, which makes it hard for people to do their job.

Earlier, the hon. member also referred to capital punishment and the negligible impact it has on our society. With respect, I do not agree. I voted in favour of restoring capital punishment, and I would still vote the same way.

Perhaps I may refer the hon. member to a case we had in Laval, where someone was given a maximum sentence of 25 years as we saw recently in New Brunswick. This was the case of a man who had been given a life sentence, subsequently commuted to 25 years without parole. As soon as the man was released he committed a murder. He took one of his girl friends hostage, and after this hostage taking which involved the whole city, the police and the neighbours, the woman was killed. This man killed a fourth, fifth and sixth time. We don't know how many times, but in any case, he was convicted at least once. Upon his release, he even had the nerve to

hug the police. I do not know whether the hon. member remembers that, but it made the international news. He even had the nerve to hug the police. He was a character. I say he was a character once too often.

• (1650)

I have a very simple question for the hon. member. I do not know why he criticizes the government for giving petty criminals a chance to get out sooner and for using the expertise available inside our prisons to keep other inmates from getting worse, because some day, these people will be released. The government's purpose and the purpose of the minister's bill is to release them under more normal conditions than is the case today.

My question: Is the way we operate today better, in other words, when people commit murder, if they commit murder four or five times, it does not really matter, because they were sentenced to life in any case?

[*English*]

Mr. Barrett: Mr. Speaker, I want to thank the member for his very good question.

As I said in my speech, there are some people in my opinion who should never be released. They should never be released. We owe it to the community to say honestly that some people are so much out of control that as earnestly as we try in a society, we are incapable of understanding their violence or dealing with it.

On that basis, we have to make judgments in terms of protecting their rights, an appeal system, but still in the final analysis, not release them.

We may not always be right in our predictability, but the best way of ensuring the kind of protection you want is each individual case reviewed by itself, not the case fitting in the system, but the system fitting the case. That is a fundamental error we make.

I am not blaming this government. Let me go on record saying that it was this government that closed the British Columbia Penitentiary and began moving people into camps, and modified approach if you are going to incarcerate.

Why do you still have that many prisons? I do not know, but I would suggest to you that the same approach that the government took with the B.C. Penitentiary could and should be used in disseminating the inmates in a variety of institutions rather than one major centre.

The member and I do not share the same reading of statistics, but it has been my experience—I will end with this—that violence does not end violence. In a mature, thoughtful, worried society as we are concerned about our children, we know that violence is not the answer, back to the individual or to society.

I do not envy the government in this task. I am glad I was not a federal cabinet minister concerned with this. All I am doing is sharing an experience and making an appeal.

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, it is always a pleasure to follow a member who has had first hand experience on a subject and shares that experience with other members in this House.

I do appreciate the hon. member's intervention. I wish to add the strong voices of Parkdale—High Park to Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of correctional investigators.

In my riding of Parkdale—High Park, I have many constituents who are very concerned about the Canadian criminal justice system not giving them adequate protection.

Whenever I see a new bill coming on the floor of the House, I look to see what is the purpose of the bill. I would like to refer members to page 3: "The purpose of the federal correctional system is to contribute to the maintenance of a just, peaceful and safe society.

(a) Carrying out sentences imposed by courts through the safe and humane custody and supervision of offenders.

(b) Assisting the rehabilitation of offenders and their reintegration into the community as law-biding citizens through the provision of programs in penitentiaries and the community".

This is where Canadians can see which party can deliver what the public wants. This is not the first time that the government is attempting to improve our correctional system. It has done it before. It did it in 1986 when I was not in this House. I had returned to education. The government tried something called privatization. It wanted to demonstrate that hard-core criminals, sex offenders, murderers, et cetera, can better be integrated into the community by a privately operated

half-way house than one operated by the government. I think many members of this House who were in this Chamber in 1986 and 1987 heard about the fiasco around Exodus Link. This was the government's model of moving former prisoners from the jails into the communities—privatization. But it failed, it failed from step one.

Why did it fail? Because, as always, this government in its arrogance failed to consult with the community. It thought it would sneak it in. Because communities such as Rosedale and Peele and others would put up such a fuss, it was going to sneak in this Exodus Link into Parkdale—High Park thinking that the citizens of Parkdale—High Park would not notice this. Well they did.

To prove how the government neglected to consult the people of Parkdale—High Park, the Solicitor General of the day did not even consult the sitting member for Parkdale—High Park. He admitted publicly in public meetings in my riding that he did not know anything about it. Here is a government sneaking in a half-way house for hard-core criminals into a community, never checked with the community and never even checked with the sitting member. This is the government's approach of providing, as the purpose of the bill says, a just, peaceful and safe society.

This is the government that says: "The purpose of this bill is to carry out sentences imposed by the courts through the safe and humane custody and supervision of offenders".

I am pleased to announce that this year Exodus Link closed. The government, again not being honest with the people, forced Exodus Link to close by not giving it any funds, but I and the community know there were other reasons for its closure which I will not have time to get into now.

Another incident is happening in my riding that is happening because of the government's deregulation. This is the government of deregulation and privatization. This government decided that to own a CB radio you do not need a licence. Let us deregulate. So the government did. It deregulated. You no longer require a licence to own a CB radio. So a 10 or 12 year old can go and buy one and use it.

What is happening in our community is sexual harassment over the airwaves, death threats over the airwaves, jamming of the airwaves so that no one can speak to others, even in an emergency. I wrote to the Solicitor General about this matter. Do you think he has done anything about it? I am pleased he is sitting here today. I see he is running out to get some information. I hope he will and I hope he will come back to this House and say: "Yes, Mr. Flis, I have listened to the residents of Parkdale—High Park and I will reinstitute the licensing of CB radios". Because, Mr. Speaker, this again—

• (1700)

Mr. Waddell: Point of order, Mr. Speaker. I hesitate to interrupt the hon. member but what does this have to do with the Parole Act? It sounds to me like a cheap way of getting some local publicity in his riding.

Mr. Flis: If the hon. member would just listen he would know what connection there is. The people of Parkdale—High Park are so fed up with the lack of law and order in this land that they do not want a piecemeal approach to tightening up the laws in our society. It is all these things that are happening.

It is my area where the three-year old girl was abducted, sexually molested, and murdered. What does that have to do with parolees, you might ask. It is all integrated. Some of these people who are using CB radios will also be offenders. They may even now be ex-offenders. They may be pushing drugs through the CB radios.

If the hon. member will just be patient he will see the linkage I am making. He will have an opportunity to express his voice.

Privatization, deregulation, yes in some aspects it works, but when it means to protect the people on the streets, that is when the government must act. You cannot turn that away to a private organization and the purpose of that organization was to make money on that halfway house. As I say, I am glad it folded.

At least this bill is a first step. It is about time. It is a first step, so let us support it. Let us get it into

committee, and let us improve it with our amendments and let us get on in making it a safer society for people in all communities.

I am glad to see that this bill provides for the rights of the victims to participate in the entire process, from the initial trial through the parole board hearings. I think we must recognize that individuals are suffering as a result of criminal actions of others. As well, we must realize that society suffers.

In areas of metro Toronto where there are particularly high rates of drug and prostitution related crimes, the people who live in the areas are being held hostage. They are afraid to walk to the corner after dark. They are afraid to let the children walk to school on their own. They see crack houses operating on their streets, and they see the police watch helplessly as the dealer arrested in the afternoon deals again in the evening. My constituents give me street and number where cocaine is being sold and purchased and the police are helpless to do anything about it.

I attended a public meeting on this issue. What is happening at these meeting? The police blame the city because the city is not giving them enough resources, enough foot patrol, enough money to lay further charges.

This is something else the government fell down on. I have recommended, again from my community, from the mayor's task force, that when there is a drug bust and there are assets to be sold that some of that money be returned to the local community so that the police can continue their work.

Here I must compliment the Solicitor General because in one of his replies in Question Period he said that he is looking at doing this exactly. Through you, Mr. Speaker, I congratulate the Solicitor General.

The police were blaming the city. The city blamed the province. Implementing the law, et cetera, is provincial jurisdiction, so the city is blaming the province. The provincial MPP gets up. He is blaming the federal government. The federal government has to toughen up the laws for us to implement.

The buck stops here. We cannot blame anyone else. A government was elected for four or five years. Now seven years in office, the situation is getting worse. At least if there was a halt, at least if there was a trend to better street safety, less drug pushing, we would see some improvement, but there isn't. So we must all accept the blame. I feel as a federal member of Parliament I am letting down my constituents if in co-operation with the three other levels of government—metropolitan Toronto, Toronto, the province—we cannot bring a resolution to providing safer streets for our children so they can walk to school without fear.

Because the citizens feel trapped and feel that the system is letting them down, they are in a mood to do something instead of just waiting for us politicians. What they have told me at a public meeting is this: If you cannot provide the law and order, we will do it ourselves. They are talking about forming vigilante groups to bring protection to their communities. I have had two calls now, Mr. Speaker, because some people in the community want to bring in the Guardian Angels from New York to patrol our streets.

So far, reasoning with the people, they agree with me that that is not the route to go. My constituents of Parkdale—High Park are counting on this and other bills. I hope we do not stop just with this bill. Looking at all the bills, be it the Immigration Act, the Privacy Act, our Constitution, I hope that Canada again can be a country where immigrants come and they just cannot get over what a safe country this is. Tourists come and they cannot get over what a safe country this is. I hope we can get back to that just, safe society, because we are losing it. We are losing it.

I am concerned about what is there in the bill that is respecting corrections? Where is the funding for the corrections? I do not see it. On any programs that were started up, the funds dried up and the programs went downhill. Where is the funding for rehabilitation, training and skills so that criminals do not have to go back to a life of crime? Where is the treatment for drug addiction, so that the drug dealers do not have to go back to dealing drugs, treatment for sex offenders, so that they do not repeat their crimes?

I will never forget the call I received from one of my constituents, a father over 60 years old. His son was picked up for peddling drugs and got 10 years. The son served his sentence. The father has no bitterness to that, he felt the son did commit a crime and he served his sentence. But now, the son is in his forties and the father is worried that if he dies who is going to look after his son? Because the drugs damaged his brain and he cannot go and get a job. He cannot look after himself. He must

depend on someone to look after him. The father is saying: "When I go, what is going to happen to my 40-year old son?" Somehow, in that 10 year sentence, our system failed. We did not prepare that son to return him back to the community. In this case it was our community and we are willing to take this person back. He is a vegetable, 40 years old. If his life span is 70, society has to look after him for another 30 years.

Just this week I received a letter and to protect the constituent's identity, I will not use the person's name. It says: "Dear Mr. Flis: Greetings. My name is—and I am a 29-year old Canadian citizen, born and raised in metropolitan Toronto, Parkdale area. At this writing I am presently incarcerated in the state of Michigan, serving two life sentences for possession and conspiracy to possess 650 grams or more of a controlled substance, cocaine, and have been for the last three and a half years" and on and on.

This constituent is asking me to intervene so that he can serve his life sentence in Canada and not in Michigan.

An hon. member: Do you know why?

• (1710)

Mr. Flis: An hon. member asks if I know why. He might raise this in Question Period and maybe he will get the answer.

Again, I point out this person has a life sentence. Let us suppose the person is paroled after half the sentence is served. What does this person do? He is almost 30 now, and may come out at age 50. What do we do with this person in our society if the person is paroled earlier. I do not know the laws in Michigan. Maybe they do not parole for drugs.

It is not enough to lock people up and throw away the key for a specific period of time. Even with more stringent parole laws and greater supervision it is simply not enough to assume that any person of a criminal mindset will get over that mindset simply by being locked up. I think this is a serious shortcoming in the bill.

However, it is long past the time for individual components of the entire justice system to be tinkered with and amended. The world has changed drastically in the last 100 years and the system which was designed to deal with the criminal element of society at that time is no longer relevant. The criminals have better guns than our police. They have better electronic equipment than our police. They have better lawyers in the land than our police have.

We have for too long been papering over the cracks and putting a fresh coat of paint over rust. It is time, as parliamentarians, as representatives of different parts of Canada and different communities, that we took the time to evaluate the goals and priorities and expectations of our society with respect to the criminal justice system.

When I think of the chaos which will result from individual communities taking the law into their own hands, as my constituents wanted to do, because corrections do not correct and detention is at the discretion of individual judges, I get afraid for the very fabric of our society.

I can support this bill as far as it goes, but there are only so many times a leaky roof can be patched. I urge the minister to be aware of the mood of the nation and act soon to provide adequate enforcement of the system we have and new guidelines for the future.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, during his remarks, my hon. friend made reference to correspondence to me on a question of CB radios. I can advise him that I cannot quite connect how that might be a matter for the Solicitor General. We have checked our outstanding correspondence list and we cannot find anything from my hon. friend. We will continue to check. Perhaps he might provide me with a copy of the letter and I will follow it up.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I would like to thank my colleague from Parkdale—High Park for his submissions. He and I represent two ridings in west metro that are adjacent to one another and the concerns of his constituents are the concerns of my constituents in York South—Weston.

I know many members in metropolitan Toronto share the same concerns. The hon. member has been in the House for a number of years and he knows that in the last seven years since this government took office, there have been a number of, shall we say, high profile cases involving the criminal justice system that has led the public to seriously question the criminal justice system in Canada.

Recently we heard about the Nina deVilliers case, the young woman who was murdered just outside of Hamilton. In the Klaudusz case, the young child who was murdered, the family resided in my colleague's riding.

Over the last seven years we have had the Foster case in British Columbia where an inmate who was incarcerated proceeded, after being released on parole, to commit a number of other offences.

There was the Gingras case in Alberta where a convicted murderer was given a pass to celebrate his birthday at the West Edmonton Mall. He broke away from his escort and murdered two other people.

There was the Melvin Stanton case in Toronto where a convicted murderer was given a pass to Toronto and proceeded to murder a young woman. There was the Fredricks case. Mr. Fredricks, who had a record of child abuse and had been convicted or raping a young child, was released and proceeded to murder a young boy in Brampton. We had the Sweeney case here in Ottawa, a convicted rapist who was released on parole and proceeded to murder a young half-way house worker. We have the Rallow case in Hamilton and the list goes on and on and on. Over the last seven years the public has been crying for reform. Here we are in November 1991 and there really has not been any meaningful reform in the criminal justice area.

I would like to ask my friend about these high profile cases and whether his constituents have expressed concern to him about the crime in his particular community and could he share with us the concerns of his constituents in terms of the priorities in his particular riding.

Much is said in this House about the Constitution and other matters. As far as crime is concerned, how would he rate that as a concern of his constituents in Parkdale—High Park?

Mr. Flis: Mr. Speaker, I have a system of town hall meetings. Every time I send out a parliamentary report, I announce my next town hall meeting. This way every household ion the constituency knows of the meeting and can come out and share their concerns.

In the last two town hall meetings I have not had one question raised about the Canadian Constitution, not one. The top priority and most of my questions are around street safety, illicit use of drugs, prostitution, former offenders who come and pick up a three-year-old child, and not one question about the Constitution.

The next priority is the economy. I am flooded with questions and representations about people without jobs. These are university graduates who have been working three to five years and now are unemployed. They are embarrassed to come to their MP to say: "Help. Maybe you can help. Maybe you know of someone who needs a qualified architect or a qualified engineer".

This is why this government has its priorities all wrong. It wants to deflect the country's attention on to the constitution debate. We must have the constitution debate, but let us get our priorities straight. Let us get the economy rolling. Let us get the street safety in place and the Constitution will fall into place. Canadians will be more agreeable province to province, community to community once they have jobs and once they feel safe that they can walk the streets, that they can send their five and six-year-olds to school without having to walk them to school as they did before.

It can be done in this beautiful country. We did it before. What happened to it? Have we been watching Detroit and New York for too long?

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State of Canada and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I did not want to interrupt the hon. member, but I agree with my colleague from the New Democratic Party that he was going on the wrong track, but in any event he came back to the bill. He spoke about everything. I want to hear more about the bill because at least he congratulated the minister and the government for this bill which has to go to committee.

I must tell my hon. colleague that my people were consulted for the last three years. Three ministers were working on the issue. My people, because of the fact that I have five jails, asked for more protection and also asked something I have not heard in this House today, and I hope I will before this bill goes for second reading. Nobody spoke about the victims. This must be respected too.

I had a case in my area where Collin— I will not even call him Mr. Collin— killed Mrs. Berard.

• (1720)

Every day in the paper we had his picture and a full page on his history. Nobody mentioned the lady's name or what happened to his son who is all alone in my city of Laval while that man Collin was on a nice little vacation after he was in for 25 years. At the same time he was having a little hug with the police but nobody spoke about the victim.

I am glad when somebody mentions some names.

[*Translation*]

In my riding, we have had a number of cases—

The Acting Speaker (Mr. DeBlois): I would ask the hon. member to finish his remarks or ask his question, since his time is running out.

Mr. Della Noce: We have had prison riots, murders and assassinations. I therefore ask the hon. member whether he agrees with the bill or not. Does he want to advance the bill to protect my fellow citizens, the victims and their families?

[*English*]

Mr. Flis: Mr. Speaker, I support our critic and our party in getting this bill to committee to bring about amendments where needed, fine tune the bill and address the plight of the victims.

If someone is murdered, he or she is not the only victim. The victims are the whole family. The victim is sometimes the whole community. I am glad that he is very sensitive to that and I hope he will make the bill stronger when it is in committee. I am pleased he addressed that.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, we have heard a lot about homicide, attempted murder, assaults, robbery, sexual assault, the statistics and, what is more important, the human cost to people.

I would like to address some thoughts as to how we could have a national strategy to reduce violent crime in this country. I might as a westerner point out that unfortunately generally speaking as we go west in Canada violent crime gets worse.

I do not know whether that will cheer up my colleagues from Toronto, but it is an unfortunate reality in Canada. As to the effect of the present state of the economy and the effects the recession is having on crime trends, common sense would suggest that at least some crimes are being committed by economically desperate citizens.

A study prepared for the joint economic committee of the Congress of the United States about 15 years ago noted a definite causal connection between rising unemployment and increased crime. The letter of transmittal of that report contains the following interesting paragraph: "Table 2 shows in fact that the 1.4 per cent rise in unemployment in 1970 is directly responsible for some 51,570 total deaths, including 1,740 additional homicides, 1,540 additional suicides and 5,520 additional mental hospitalizations. These are not major portions of the total number of deaths, homicides, suicides and mental hospitalizations which occurred in 1972–75. Unlike most other factors which contributed to those statistics rising unemployment can be readily avoided".

It seems clear to me at least that the great depression of the 1930s did not produce a per capita crime increase of the proportions experienced during the 1970s, 1980s and now the 1990s. The American criminologist, George Silber has asserted that: "The general relation of economic conditions and criminality are so indefinite that no clear definite conclusion can be drawn".

Let me suggest what I believe are five probable causes of the increased crime we are witnessing including crimes of violence. First, youth attitudes: a larger majority of young Canadians today and elsewhere in the world is unfortunately failing to learn integrity, personal responsibility, respect for others' rights and property, and that one's right to swing a baseball bat in a free society ends just before the point of another's nose.

Parents, churches, schools, colleges, the media and above all young people themselves will all have to take a more positive role in reversing the current trend.

Illegal drug abuse: heroine addicts commit, I think from all indications, a large percentage of property crimes. Unfortunately again I have to refer to an American study. It found that 237 heroine addicts in the city of Baltimore committed more than 500,000 crimes over an 11-year period.

No doubt a similar pattern exists in our own country. Many addicts in both of our countries must steal enough

goods to fetch the hundred dollars or so necessary to sustain their daily habit of crack or heroin on the black market seven days a week. The rule of thumb a few years ago when I was a drug prosecutor was that stolen goods fetch about 15 per cent of the replacement value on the stolen goods market.

Third is media violence. The media to many observers glamorize not only the use of cocaine, say, but hard core violence as well. The Lamarsh commission on television violence, for example, estimated that the average Canadian child, including your children and mine, I assume, see approximately 13,000 television murders by the time he or she graduates from high school.

A study a decade ago by the U.S. National Institute of Mental Health noted that prime time American television currently provides an average of five acts of violence per hour and for weekend programs aimed at children, an astonishing 18 acts per hour. It concluded after a decade's research that there is now overwhelming scientific evidence that excessive violence on television leads directly to aggression and violent behaviour among children and teenagers.

Fourth is the demographic overload. Charles Silverman has pointed out in his seminal book *Criminal Violence: Criminal Justice* that a major reason for increased crime in his country, the United States, was the more than 50 per cent growth in the 14 to 24–year–old population between 1960 and 1970, with a resulting weakening of conventional social controls.

Relative to the growth of the adult population, a similar pattern is reflected in our country. Teenage peer pressures and the need for the right records and clothes, as Silverman points out, "combined with a weakening of adult social contacts has provided a lethal crimogenic force".

Fifth is social causes. It was a number of years ago, but I think it still applies, when the U.S. National Commission on Causes and Prevention of Crime said that the war against crime could be better waged by: "better schools, better teachers, full employment and fair wages, work opportunities for youth, especially those of the criminally prone ages, a rebuilding and restoration of the tax base of our cities, better housing, reduction of dope addiction and the ultimate elimination of the ghettos". Thank goodness we do not have as many ghettos or have many fewer ghettos in Canada, but I think this statement has at least a limited application to our country as well.

There are a number of proposals which should be made and have been made with respect to areas of major concern. The first is bail. It seems to me that Parliament should be providing clearer guidance to the courts than the legislation currently does. A text was proposed south of the border which was sponsored by Senator Edward Kennedy who is not usually identified as being a hawk on crime prevention. The text seems reasonable and I would suggest that some such wording might be adapted to our own situation. Basically it would say that several things should be considered. These include: the weight of evidence against a bail applicant, the nature and the circumstances of the events charged, and the history and characteristics of the person including his or her character, mental condition, family ties, employment, past conduct, length of residence in the community, financial resources, record of convictions, record of appearance, flight to avoid appearance or non–appearance at court proceedings, illegal drug use, whether he or she was on probation, parole or other release pending completion of sentence for the conviction under federal, state or local law at the time of the current arrest, whether he or she was on pre–trial release or release pending sentence or appeal for an offence under various legislation at the time of the current arrest.

With respect to hard drugs, the causal link between heroin and coke addiction and crime is about as well known as anything in this House. Organized heroin and cocaine traffickers thus constitute a prime target for any stepped up national fight against serious crime.

I just give three suggestions as to how we can make life more difficult for heroin traffickers and simultaneously better protect our most important national resource, our young people.

First is a more soundly based education program across Canada to mobilize parental, educational, youth and religious groups to reduce heroin, coke and other drug abuse. One of the United States has an excellent program which might well serve as a model for parents in Canada. More than 3,000 groups of parents have already

formed a parent movement to counteract the drug culture as a whole by first educating themselves about drugs so they can avoid misconception, myth and error in their dialogue with children. There is also a video cassette called *Consider the Source* produced by the Ontario Chiefs of Police who suggest it be shown to children in grades 4 and 5. That is a step in the right direction.

• (1730)

I might point out since I see the Solicitor General here that my understanding is the only person at the head office of his department who was an expert in drug and alcohol abuse was let go about two and a half years ago. He was on a term contract and after I believe four years that individual, a Ph.D., was simply let go by the department to save a few dollars. They may have replaced him, but certainly as of two and a half years ago, they had nobody in the head office of the department who knew anything about drug and alcohol abuse.

Additional equipment, expertise and training are required for our customs and Coast Guard officials, although I think some steps are being made in that direction. The use of more trained dogs for airports to detect heroin in air cargo and passenger baggage has proven successful in West Germany, the United States and elsewhere. I think we should give more emphasis to that.

Third and last, a senior customs official told me some time ago that thousands of letters containing drugs are being delivered each year within Canada. Our current postal legislation appears to be unique in the free world in not permitting the opening of a letter, except in the presence of an addressee, no matter how overwhelming the indication that it contains heroin, coke or whatever.

It seems to me that customs officials should be given the legislative authority to seek a court order to open and stop mail in specified circumstances. If that law has been changed I will stand corrected. I wish somebody would get up and say that the law has been changed, but I do not think it has.

Finally on victims of crime I would like to quote from an article published in *Policy Options* of March 1991. It is called "The Rights of Victims" and it begins with this chilling paragraph: "In 1985 Larry Takahashi of Edmonton was charged with the sexual assault of 138 women across the country. After hearing the testimony of the first 16 victims it was jointly decided by the crown attorney and the defence lawyer that enough evidence had been presented to guarantee a guilty verdict on at least 16 of the charges. The sentence that could be obtained at this point would presumably provide sufficient punishment for Takahashi, without unnecessarily prolonging the long and costly court room proceedings. The remaining 122 women were accordingly released as crown witnesses and their respective charges were dropped. The accused was found guilty on the first 16"—I think the author may be in error; I think it may have been 13, but it was 13 to 16—"of 138 rape charges and sentenced to a total of 86 years plus three life sentences. All 16 sentences, however, run concurrently. He could thus be eligible for full parole in seven years and for day passes in as little as two".

The author of that article goes on for many pages about the plight of the victim. I hope every member of this House, including the minister, is aware that Mr. Takahashi was out playing golf with his friends on leave near Chilliwack in B.C.

I would like to say something about mandatory supervision which as other speakers have mentioned is an ongoing cancer in the system. The present system has been in effect since 1970, except for the provision that was added a few years ago with respect to gating. A study about a decade ago by the solicitor general's department indicated that during a five-year period examined fully 5,301 of 15,627 persons pre-released on mandatory supervision after fulfilling two-thirds of their sentences came from the maximum security status. Fully one-third of those pre-released on mandatory supervision by operation of law, that is before the gating provision, I should add in fairness for having earned remissions or for whatever reason, were not considered safe enough to be in the medium or minimum security institutions.

The success rate for those studied who left maximum security institutions is given as 48.6 per cent. In other words, approximately half were returned to custody for either committing a fresh violent offence or for breaking the condition of their release. The same study also indicated that mandatory supervision in its present form is about equally unpopular with the public, the National Parole Board, the police and offenders themselves. The same study also indicated that about 90 per cent of the people in the federal correction institutions "earned" all possible remission in each quarter of the year.

My colleague spoke on the question of parole. I think we will have a very interesting debate on whether there should be parole as he indicated earlier. When we talk about violent criminals we are not talking about people who write bad cheques. We are talking about people who go out and maim, beat and kill other citizens of Canada—and I hope those who sell drugs would also be included—and whether they should be eligible for parole or whether those people should serve the full sentence.

I might make a comment on the question of judicial appointments because I believe ultimately, having spent 12 years in the courts either as a Crown or defence lawyer, the federally appointed judges across Canada and the provincial ones—but we have no jurisdiction there—have a pivotal role in our criminal justice system and that only the best qualified men and women should be appointed.

The present practice, it seems to me, is far too often still based on past political loyalty rather than merit. I would never release the name of the person who told me this, but I must tell the House about a Superior Court judge who when appointed asked for a computer for the office. The computer word processor was denied, and I think that most members of this House know that Charles Ng had a computer in his cell in Prince Albert paid for, I would assume, by the Canadian taxpayer. In other words, unconvicted accused mass murderers in our system get computers at taxpayers' expense but Superior Court judges, at least in one province, are not able to have computer word processors in their offices as of now. That is how upside down or inside out the system has become.

How do we ensure that all appointments to our Superior Courts across the country are the best qualified men and women in the 10 provinces and territories? I would respectfully suggest that the model in use in both British Columbia and Alberta would be a better system than we have now. In essence appointments are made only from successful applicants to councils representative of both the bench and the community.

If those opposite are going to get up and say that the system they have now is working the way the B.C. and Alberta models do, I would suggest they read Peter Russell's article of a few months ago in the University of Toronto *Law Journal* which basically suggests that the old patronage system is working unimpeded.

I guess I will end with a couple of thoughts on sentencing. A number of Gallup polls have indicated that Canadians across the land judge that the courts do not deal firmly enough with criminals. The regional breakdown in one poll I have here indicates that the prairies were the region where that was the most strongly felt.

What I call the confidence gap between the public and our courts is now, it would appear, at an all-time low. A careful look, therefore, at what is called—and I am only speaking for myself; not for the Official Opposition of course—presumptive sentencing for some violent offences would appear to be necessary. Under the model currently in use in California the legislature prescribes the range of penalty upon conviction, for example three, four or five years, for aggravated sexual assault and the court presumably chooses the middle figure unless the over-all factors indicate that the lesser or greater term should be handed out.

As other speakers from this party have indicated, we think the bill should go to the justice committee. I hope that the more glaring defects, and hopefully all defects in the bill from the standpoint of the safety of the public, will be screened out at that committee.

Mr. Flis: I rise on a point of order, Mr. Speaker. In my debate I falsely accused the minister because I said I sent him a letter on the licensing of CB radios. My apology. It was to the Minister of Communications that we wrote with copies to our critic and to Jim's CB Club that drew it to our attention. My apologies to the minister and to his staff who were trying to find the letter and could not. That will explain why.

• (1740)

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I rise just briefly. I thank my hon. friend for his comment. I did not take any offence from what he said.

I want to compliment my hon. friend who just spoke on the research he obviously did. I think a lot of parallels could be drawn between research that is done in the United States and here. I think we can take instruction from him.

With respect to the person who was supposed to have left the Solicitor General's Department, the only explanation I can have is that the government has split its efforts in terms of the war on drugs. The RCMP basically has the control and co-ordination of the interdiction in conjunction with Fisheries and Oceans and National Defence. Education and that type of thing would be done by health and welfare. Probably the expertise in the drug side of it in terms of pharmacology and that kind of thing would be in health and welfare. The effort is still being made by the two departments.

Mr. Kilgour: Mr. Speaker, I thank the minister for his comments. The problem, as I am sure he knows, is that the solicitor general's department and Corrections Canada have a number of rehabilitation programs, thank goodness, across the country.

The person who was working in the Ottawa head office had a good deal of experience with alcohol and with drugs. He was acting as a resource person for programs carried out in penitentiaries across the country. I have every reason to believe, knowing him well, that he was a competent individual, worked extremely hard and was very dedicated to what he was doing. Yet he was the only person who had had, as I understand it, direct hands on experience with alcohol and drugs, which as the minister knows is the reason that a great many people are in our institutions. This man was hired on term for three and a half years, I think it was. Then the problem, as the minister will know, got to be if he was kept on for another matter of months he would be deemed to be permanent and have to be given permanent status. Instead of doing that, somebody in the department—the minister probably did not even know it had happened—decided just to let him go. Whether it was professional jealousy, whether it was incompetence, whether it was to save a few dollars at the expense of rehabilitation of programs, I do not know. Having written to his predecessor about it, I certainly was extremely unhappy that one of the rehabilitation programs in the department was in effect being decapitated.

Mr. John Nunziata (York South—Weston): Mr. Speaker, without commenting on the presence or absence of any member in this House, I find it rather curious that we have been debating this bill all day long and we have not heard from a single solitary member from Alberta, other than the member who just spoke from our party. There are a number of Conservative members from Alberta who have claimed to be very concerned about criminal law reform and to be concerned about high profile cases. They label themselves as law and order type politicians, yet we have not heard a peep from any Alberta member on the Conservative side and there is every indication that not a single member will speak.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I again remind the hon. member that parliamentary tradition forbids mentioning the presence or absence of members in this House.

[*English*]

Mr. Nunziata: Mr. Speaker, I was not commenting on the presence or absence, just the level of participation in the debate. I have not indicated any particular member but perhaps the member, when I do ask my second question, might comment on the silence we are hearing from Conservative MPs from Alberta.

I am glad that the member has spoken. He is a member from another major city. We have heard from a lot of members, Liberal members from Toronto. The member who has just spoken represents an Edmonton area riding. I would like to know whether the crime statistics in his particular community are anything like the crime statistics in metro Toronto.

Yesterday metro Toronto had its 73rd and 74th homicide, murder of the year. It is an all-time record so far. It has broken the record set in 1987. There were 60 murders that year. The 73rd murder was a North York senior citizen. I quote the newspaper article: "A partially paralyzed North York man was beaten to death in his bedroom by an intruder, as his elderly wife ran for help". That was number 73. Number 74 was a motel guest who was found by the maid in his motel room murdered.

There are still two months to go. Toronto is fast becoming the murder capital of Canada. At the rate we are going in Canada we will soon be competing with American cities as far as the crime and murder rates are concerned. Not only is murder up, but violent crimes are up 22 per cent so far this year in metro Toronto.

Between January 1988 and December 1990, while the population in metro Toronto increased by less than 1 per cent, the robbery rate was up 84 per cent. There has been a proliferation of guns used in bank robberies or in robberies. That rate is up 207 per cent. Violent crimes, according to Statistics Canada, rose 59 per cent between 1975 and 1989.

All these statistics have been available to the government and it has done absolutely nothing for seven years. I would like to know from the hon. member whether his experience in Edmonton is anything like my experience in Toronto.

Mr. Kilgour: Mr. Speaker, unfortunately I do not have the homicide, armed robbery and so on figures for Edmonton. I was hoping to speak tomorrow. I might have had them tomorrow, but I do not have them today. However, Edmonton has a very high crime problem, particularly violent crime.

If I may, I think members everywhere may be interested to know that I am sure this one study would apply to Toronto, Montreal or Edmonton. It found that 237 heroin addicts in one city in the United States committed more than half a million crimes over an 11-year period.

I am thinking of a person I once defended on a heroin trafficking charge. Basically he would get up in the morning at ten o'clock and he would go to work. He would break into homes and apartments all day until about two o'clock. Then he would take his $100 from fencing his materials and go down and get his two or three caps of heroin. He would go home and shoot up and spend the rest of the night watching television. That was seven days a week.

Many of the homicides in Montreal, Toronto or Edmonton are as a result of crack. In other words, I think drugs is the matrix of most crime and this influx of hard drugs is the reason the crime rate is going through the ceiling.

An hon. member: Improve the bill.

Mr. Kilgour: With respect to my friend from Montreal, I do not think this bill is going to stem the tide. I think we have to get very specific and go after drugs. I do not think this bill is going to do much about the hard drug problem.

Mr. Nunziata: Just for the member's information, the murder rate in Edmonton is number four.

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

Mr. Nunziata: The member says: "It has nothing to do with the bill". It has everything to do with the bill. We are dealing with offenders in the federal penitentiary system in Canada. We are dealing with an increased crime rate. We are dealing with criminal law reform, and the dumbo from Montreal says it has nothing to do with the bill.

Some hon. members: Oh, oh.

[*Translation*]

Mr. Della Noce: Mr. Speaker, I am sorry to interrupt my colleague, but he has been giving us a whole lot of statistics that Statistics Canada probably does not have yet, they are so recent. But that has nothing to do with the bill. I would like us to talk about prisoners and the bill before us today.

[*English*]

Mr. Nunziata: One final statistic from Statistics Canada is the murder rate in Canada in 1990: 656 homicides which include murder, manslaughter and infanticide; 33 per cent of those victims were stabbed, 30 per cent were shot to death, and 21 per cent were beaten to death. Those were 1990 statistics and according to Statistics Canada that record will be exceeded this year.

• (1750)

I would like the member to comment. Obviously these statistics add to the public concern out there about our criminal justice system. Is he satisfied that the government has done anything meaningful in the area of criminal law reform?

The Acting Speaker (Mr. DeBlois): The time for questions and comments has now expired. Resuming debate.

[*Translation*]

Mr. Della Noce: Mr. Speaker, I will speak because it was agreed earlier that be two members would speak for each party. However, since everybody is talking, I will take advantage of this opportunity, but not because of the hon. member's invitation.

[*English*]

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for York South—Weston.

Mr. Nunziata: Mr. Speaker, the member has just indicated that there was an agreement that only two members would speak from this party. There was never any such agreement. Members on this side of the House wish to speak to this legislation because it is a priority with our constituents.

It may not be of concern to Conservative members but it is of concern to Liberal members of Parliament. That is why we are speaking. There is no such agreement to limit speakers to two.

Mr. Hawkes: Mr. Speaker, I was sitting downstairs and I heard the member invite Alberta members to speak on this bill. Alberta members would rather see action than talking out of two sides of their mouths. What is happening here today is a filibuster. From the point of view of the Chamber it is a filibuster which will stop the legislation from coming into force if it continues by opposition members.

If they do not want the bill, they should have the courage to stand up and say it. If they do want the bill, they should quit talking so it can go to committee and we can do something about it.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, if the hon. member would care to listen, he will get a lot of information, because I am going to talk to him about the bill, about inmates and about penitentiaries, because I have the privilege of having five penitentiaries in my riding, as I said earlier to one of our colleagues, and of course I am lucky in that I can come and go as I like. In fact, I have gone to prison often since I became a member of this House. However, when I go to prison, there are times when I talk to the inmates as well as to management and the guards. I have had the pleasure of going there several times with a number of ministers, and I can tell you that the subject of today's debate is the result of many years of consultation.

I can also inform hon. members that our people, perhaps unlike Parkdale, were consulted and said exactly what they wanted to say. I can tell you we have had our share of escapes and murderers and hostage takings, and if this bill could at least provide some security and enhance the value of the system and restore the confidence of the people, it will be a success.

I also congratulate the government and the minister for the positive aspects that we added to this bill, but I still think there is room for improvement, because not enough is done for the victims of crime. Victims, unfortunately, are not as well protected as I would like, and I know this from past experience. Several times I have seen cases where people were accidentally caught up with inmates who probably were released at the wrong time, when they had a relapse. Earlier, hon. members were naming names and reading letters. Perhaps I may give an example of what happened during a prison escape when someone was taken hostage. Believe it or not, rifles and machine guns were used, and people were wounded. The inmates went straight to the hospital, which is practically next door to this detention centre, because I also have a hospital in my riding, the Cité de la santé de Laval. The inmates were lucky to be able to go straight to the doctor. Can you imagine that my constituent, who was innocent, who was going to the Credit Union to deposit her paycheque, was taken hostage by these bandits—and hostage-takers are bandits—and when people asked what to do about the victim, the association in Quebec that takes care of victims, the IVAC, told her to take the bus to go to the hospital.

For the benefit of those who do not know the area, the bus at Saint-Vincent-de-Paul goes directly past the old penitentiary, right where the crime was committed. Imagine, the poor woman had to go past the scene of the crime! It just didn't make sense. However, thanks to Correctional Services, thanks to the people we put there and to Deputy Commissioner Jean-Claude Perron, who is to be commended for this decision, they boldly decided to give us a car because the victim's car had been seized by the police as evidence. Thanks to the deputy commissioner, we were able to get a car to take this woman to the hospital, because the association which is supposed to defend victims in Quebec was taking its own sweet time. Imagine, when you need medical care that is not very reassuring.

Another thing: if you have more centres, you get more accidents, and I could give a few examples. In Quebec, the *Organisme pour la défense des détenus* got exactly what they asked for. They said: "Let petty criminals out on

parole, and keep people who need more attention inside and give them programs to put them on the right track". That is exactly what they have been asking since I went into politics, at least since 1984. Before that, it was the same, but nobody was listening. So that is exactly what they wanted.

I think this bill is reassuring for Canadians. I think there is not enough protection yet for victims, but it's a start, and victims are starting to have a say in what is happening. If they have any information for parole officers, that information will not be buried in a file, to help the case of those poor inmates who are to be released on parole.

The hon. member also mentioned that our Canadian system was not as bad as all that. I think it was the hon. member for Parkdale—High Park who said: I have someone who has a son in jail in the United States who would like to be transferred to Canada. I have many cases that are similar. You know why they want to be transferred to Canada? Because they are better off in Canada. They are treated better. Sentences are shorter and parole is more flexible. In some places in the United States, there is no parole at all, although I have no statistics to prove this.

I have also received a number of requests. I know that Canadians would rather be detained in Canada than in Florida. I know that by experience. There have been several cases. So it isn't as bad as all that. We do more than offer condoms in prison. Conditions are quite good. They are very well treated. I don't know whether I could say the same for the victims. When you see corrections officers bringing an inmate to hospital after a fight or an accident, and when you see them walking past 50 people who have been waiting for three hours—these are taxpayers who see these inmates. I agree, we cannot leave this inmate on a chair in front with two guards—but you can be certain, dear colleagues, that our telephone has not stopped ringing for three days with people saying: "I am a taxpayer. Why must I wait for three hours when a prisoner goes in directly? He does not even pay tax, he does not even pay his credit card". They may be right, but that is how the system is. Maybe that can be corrected some day too.

There is something else. My colleagues were just saying—I will not use up my 20 minutes, Mr. Speaker, I will try to be very brief, I just want to get some messages across. Correctional officers—

An hon. member: It's your bill!

Mr. Della Noce: My colleague says that it is our bill. Just because we are on this side does not necessarily mean that we always agree with everything. We call that being wimps. I am with the government. I am a team player, but in my riding there are responsible people who need my attention and who asked me to speak here. That is democracy. I will try to do so in accordance with the rules; if they like something, I will say so and if they don't, I will say so. I will try to work with the minister and with the government to improve it. I congratulated the minister. I congratulated the government. I say that it is good and inspires confidence. I also said that there was not enough for the victims. I do not defend criminals, I defend victims. I will never defend criminals. Where I come from, I have seen too many criminals, people who killed, raped, mutilated children and even threw them over the Jacques Cartier Bridge. One cannot defend such people. However, I am prepared to defend the victims who are alone and abandoned as if they were worthless.

• (1800)

I also want to say that we have people throughout Canada who do an outstanding job. Someone, I think it was the hon. member for Parkdale or York South—Weston, just told me that guards spend only eight hours a day in prison. Yes, that is true; it is only eight hours and not twenty-four. But it is eight hours every day. And those people do not do it just for the money. They are serving the country, Canada, and they deserve high praise from us because they work and have to put up with the insults and bad mood of those prisoners and cannot do anything about it because the law is the law and sometimes one just does not feel like answering back. So those people deserve a medal.

That is why when some of them retire from the penitentiaries in my riding, I am the first to go and give them a medal because they have served Canada for 30 and even 32 years. They have been paid for their service, I agree, but I assure you that they deserve a medal from Canada for spending 25 or 30 years with prisoners and criminals. I am proud to honour them when they leave their job.

In closing, Mr. Speaker, I believe that society must do more. I also believe that the service, the police and journalists must do more. When there is a hostage taking too much is made of the one who got free but

nothing is ever said about the poor victim or the children of the person who was killed by that man or woman—it is usually men—as in Laval, for example, where he had already killed or raped or mutilated and committed 10 to 15 crimes. And they are still given a chance, they are allowed out, although they are dangerous, to kill someone else. When will it end? Where does it stop, where do we draw the line?

That is the purpose of this bill. This bill tries to draw the line in the right place. Parolees are not as bad as all that. Their success rate is nearly 99.4 or 99.5 per cent—I checked the figures the other day. Sure, it is not easy to say who in advance, but those people do a darn good job. We must stop criticizing them. We must remember that it is not easy to judge a prisoner, a criminal who has spent 25 years behind bars, to try to make sense of his story and things did not always happen as they are reported.

Mr. Speaker, all I ask of committee members and all my colleagues is to try to do more, something to please everyone, especially taxpayers, the public, our fellow citizens who elected us and who want the most efficient system possible and to be safe. When you live in a place with 1,000 prisoners and hear about escapes or when something happens like a prison riot—we have seen that in Laval. We have had prison riots, crimes, jailbreaks, everything in Laval—I can tell you that it is not funny for society, for the people who live in the surrounding area.

My job is to make it as safe as possible for them and this bill will enable us to do so. I will keep on working to improve it even more and to think especially of the victims, which I recommend my colleagues also do.

The Acting Speaker (Mr. DeBlois): Questions and comments. The hon. member for Parkdale—High Park.

[*English*]

Mr. Jesse Flis (Parkdale—High Park): Mr. Speaker, I am pleased the hon. member did get up on behalf of his party. He did add some valuable contribution to the debate, but I think he missed the whole point of what I was trying to say. He was talking about the prisons in his riding.

That is not what I am talking about. Those people are under very close supervision. I know about the prisoners who have to go to the hospital. They go there under very close supervision.

I am talking about the people who leave the prison to be integrated into their communities. Let me give the hon. member an example. Again, this pertains to the Exodus Link in my riding over which there was so much controversy.

In 1988, Mr. Fredericks was hauled back to prison by federal Solicitor General James Kelleher because of a furore in Toronto over the presence of sex offenders in halfway houses. He was ultimately released on a mandatory supervision program and angrily refused to go back to a halfway house. Shortly afterward he abducted an 11-year old Brampton boy, sexually assaulted him in his apartment and then killed him.

This is what the community is afraid of and I want to ask the hon. member who is not listening how this bill will prevent these incidents. If it is mandatory supervision, mandatory means it is a must. He must be under constant supervision.

How did this offender, a former sex offender, under mandatory supervision go out and kill an 11-year old boy? That is what I am talking about, not the people who are in his riding under lock and key, under guard. I applaud the guards too. They are doing an excellent job.

This is what this bill is supposed to address.

Mr. Della Noce: Mr. Speaker, I would like to answer my hon. colleague. Maybe my French was not very good, but I did speak about the person who came out and hugged the police after he killed his girlfriend and left the little kid alone. Nobody speaks about it. If the law existed as we propose to change it, these things would never happen.

I was ashamed to be from Laval when I saw this guy who got the whole city upset because he kept somebody inside who was dead for three days. When he came out with his sunglasses like a big shot, he hugged the policeman like a star. After one week we spoke about this guy. When he went inside the jail, he was a star because he kept the police on guard for three days.

That is what I am speaking about. This guy should never go out. If we had had the death penalty he would never have been out because he committed seven or eight crimes before he got out. He was on vacation, wearing sunglasses. That is what I am against.

If I spoke about the inside as these people come in, I could give you some examples. I could give you dozens of examples. I was ashamed to be from Laval when I saw this man hugging the police and I wrote to the chief of police in my area and said that I could not accept this kind of thing because he is a criminal.

Do you know that since then nobody has spoken about the victim and the little boy who is all alone with no one to take care of him. I wish I could do something about it.

This law will do something but I wish we could do a little bit more. I said, and perhaps my French was not perfect, was that the first-time offender should not be there. We should give him a chance to go back on the right path.

I believe from my own experience that 60 per cent to 70 per cent of the young offenders who are inside could go out in a safe way.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I would like to ask a question of the member with regard to the parole system. He bragged about what his government was doing and the changes it was making. I want to know if the member is proud of the fact that a former member for Kootenay East, a member of the government, whose only expertise to my knowledge was in the expertise of explosives and also sitting as a stock broker, after being defeated in this House was appointed to sit on the parole board in British Columbia.

I ask the member if he feels that that person, with those qualification, is the type of appointment that should be made. We have heard about the various appointments that are made, but the people in Kootenay East recognize this as patronage of the worst kind.

Also comments were made by the judicial system about the appointments of these parole officers because of their concern of the knowledge that these people have when they sit and serve on this board.

I want to ask the member if that is the proper qualification and if that is what he is proud of with regard to his government because the constituents in my riding have a great deal of concern about that.

Mr. Della Noce: Mr. Speaker, first of all I would like to say to my friend that it is impossible to analyse one single case and it is impossible to have on this parole board all experienced chiefs of police.

I do not think they are all as experienced as they could be on that committee, especially the one I had in Laval who hugged the criminal who just killed maybe half a dozen times. It is not for me to judge, but the people who name these people are smart enough to know if they are doing a good job. Possibly my hon. colleague thinks only NDP people can do that job. I never put in doubt the NDP nomination of Ed Broadbent. Like the Prime Minister said in May, anyone is good as long as he has good information. This bill will provide the good information which was locked in a little file before. The victims who will be allowed to say a few words.

• (1810)

An hon. member: Wrong.

Mr. Della Noce: It is not wrong. My hon. colleagues says wrong. Everybody will be allowed to say a few words and if the person in charge has good information, he will make a good decision.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Chairman, I would like to compliment the member on his speech and ask him to comment a little bit about the process that we have here today.

Hon. members and those watching these proceedings could easily forget that we are talking about changes to the Parole Act, changes that will keep dangerous criminals serving their sentences longer.

The hon. member for York South—Weston is shaking his head. That is one of the problems that we have here this afternoon. They talk a great game here about worrying about the judicial and legal system. Now, when we could get a bill through here this afternoon, Mr. Speaker, you will notice one Liberal up after the next all making the same comments about how concerned they are about crime. Then when there is a bill on the Order Paper, something that will do something about dangerous criminals, a bill that puts the protection of the public paramount, what do they do? They want to extend the debate on and on and on.

I would like to point out, Mr. Speaker, and I will ask the hon. member to comment on this in a second, that one of the things we are not getting to as well by the members extending this debate, is the final reading of the Young Offenders Act. Again, it is a bill that puts a new test into the Young Offenders Act that makes it clear that the protection of the public is paramount.

The members of the Liberal Party bleating about how worried they are about crime are making it impossible here this afternoon to get both these fine bills before Parliament. That is why some of my colleagues on this side, because they are more responsible say: "Let's get on with this thing. Let's pass these two excellent pieces of legislation", which apparently are not going to be passed this afternoon because of the actions of the Liberal Party.

Could the hon. member comment on that?

Mr. Della Noce: Mr. Speaker, I am very upset when I see my colleague shaking his head. He did not even speak on the bill. He gave all the statistics about crimes in Toronto. I could give you, Mr. Speaker, those for Montreal. It is not better.

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for York South—Weston.

Mr. Nunziata: I would just like to correct the member. Perhaps you can, Mr. Speaker. He just indicated that I did not speak on the bill.

I do not know where he was this morning—

The Acting Speaker (Mr. DeBlois): I apologize. It is not a point of order. The hon. member very briefly.

[*Translation*]

Mr. Della Noce: Mr. Speaker, I will conclude briefly and in very good French. I deeply regret what my colleagues are now doing; they are trying to put obstacles in our path when we present a bill so that people can regain confidence in Canada's prison system. That is what we want to do and I hope that all hon. members will co-operate with us.

[*English*]

Mr. Cooper: Mr. Speaker, I just listened with great care to the parliamentary secretary to the minister of justice. I think he has made a very important observation and that is that members would like to discuss this bill.

I think what we would like to do on this side of the House is to make that opportunity available to members. The House is supposed to move on to the adjournment debate at 6.22 p.m. I would like to offer to members of the House that we continue sitting and debate this important issue this evening.

Mr. Nunziata: Mr. Speaker, on the same point of order. If this government had any credibility at all, we would be able to talk in a very constructive way about expediting this bill. I have waited patiently for seven long lonely years for some meaningful reform in the criminal law area.

This government introduced the bill—look how thick it is, Mr. Speaker, hundreds of pages—on October 8. The government has called for second reading today and it wants it passed this afternoon, a bill that has over 100 clauses in it.

Is that any way to legislate? That is pure nonsense. We take a responsible position on this side of the House and we want to debate the bill.

The Acting Speaker (Mr. DeBlois): Does the parliamentary secretary have a motion?

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Yes, Mr. Speaker. If I understood the hon. member he said he wanted to debate the bill, so I assume that means we would sit beyond 6.22 p.m.

Mr. Nunziata: Mr. Speaker, we have debated this bill all day long. We have a number of other members who wish to speak to this bill. We will speak to this bill at 11 a.m. sharp tomorrow morning when the House resumes. We will be prepared to debate the bill all day tomorrow.

Mr. Waddell: Mr. Speaker, I am a bit confused here. I know the members would want to follow the traditions of the House, as I would.

An hon. member: A learned expert.

Mr. Waddell: And being a bit of an expert, I want to ask, Mr. Speaker, if the parliamentary secretary is moving that we sit extra hours. I am confused here. Would he tell us—

Mr. Cooper: Mr. Speaker, I am prepared to move under Standing Order 26:

> That this House continue to sit beyond the ordinary time of adjournment.

The Acting Speaker (Mr. DeBlois): Will those members who object to the motion please rise in their place.

More than 15 members having risen, pursuant to Standing Order 26(2) the motion is deemed to have been withdrawn.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I had not intended to rise. I thought this was going to be dealt with this afternoon. I would have preferred that, but it has been sort of talked out by the hon. member over there. Obviously the Liberals want to keep debating.

I only have a couple of minutes, but I just want to add this. We are all concerned about crime. It does not matter where you live, whether you live in Laval or Edmonton or in Toronto, and especially in Toronto. I heard especially what the hon. member from Broadview—Greenwood was saying. I was listening carefully to what he was saying about people being afraid to go out, and so on. Quite frankly, we have similar problems. I am from Coquitlam in the suburbs of the greater Vancouver area. We have had murders there recently. We have had our share of the problems too. Canadians are concerned. As a matter of fact, as some members said, they are perhaps more concerned about this than the Constitution because they really feel this affects them.

The House really has to deal with it and the government has to deal with it. We support this bill. We think it is the beginning of dealing with very hard core offenders, but we want the government to commit itself to some procedure for effective rehabilitation.

We also want the government to be honest with the Canadian people. If you read *The Toronto Star* today, you see a big headline. The government has a law and order agenda. It wants to pass pretty well a bill a day to deal with all these matters.

As a matter of fact, the government has had the gun control bill. It has weakened it. It has had the Young Offenders Act bill here before the House for the last year. It had the mental/insanity provisions five years ago, and it only brought them forward because the court told them to do it. There are all sorts of other aspects that it has not brought forward.

Mr. Nicholson: Mr. Speaker, I know the hon. member would not want to leave this on the record. He said that the government has weakened the gun control bill. I believe that was a slip of the tongue, because in fact no such thing has happened to the gun control bill and I know he would not want to leave that on the record.

• (1820)

Mr. Waddell: Mr. Speaker, I only have a couple of minutes.

Here is how I suggest we deal with crime. I think we have to get tough on guns, especially hand guns in our major cities and we have to have another look, not only at this gun control bill we are going to debate this week, but maybe at another gun control bill later on.

We have to look at mental patients on the streets. What is happening in New York is starting to happen in our big cities. You mentioned High Park and Parkdale. I know that area of Toronto. If we dump a lot of mental patients on the street, we are going to have problems if we do not provide facilities for them. That is what is happening in the United States and it is starting to happen in Toronto and in other big cities.

We have to pay parole and probation officers properly. The federal government cannot just keep cutting back money to the provinces and expect good services. We have to get off all the political hacks and get a good parole board so that we do not just make it a nest for Conservative patronage.

We have to look at our judges and not make patronage appointments and we have to have this House of Commons or a new Senate look at the kinds of judges we want to have in this country.

Then we have to tackle poverty and provide jobs for people. We have to deal with illiteracy and child abuse and family violence. That is the way to tackle crime.

We can give all sorts of speeches in this House, and I am as guilty of it as anyone. Let us get tough on crime. I believe we should get tough on crime. All members believe we should get tough on crime, but let us look at the real causes of crime and let us tackle them and let us do it soon.

Mr. Boudria: Mr. Speaker, a point of order was raised in this House earlier and on a point of order a motion under Standing Order 56 was moved. I believe that the Speaker recognized that motion as being valid. As a matter of fact, we voted on it.

The point I am bringing to the Speaker is that perhaps the Chair together with the Table officers could review whether that procedure was in order. It is my belief, Sir, that vote should not have been taken and that the motion was not in order because a motion to adjourn can be proposed at any time. The kind of motion we dealt with tonight can only be proposed when someone actually has the floor during debate.

I would ask the Chair to review that and report to the House tomorrow when it begins to sit at 11 a.m.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I acknowledge the comment by the hon. member for Glengarry—Prescott—Russell and, if necessary, I will provide additional information subsequent to the ruling made this afternoon.

[*English*]

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, back in September I raised in the House a question of a report on the state of the inshore fishery which had been done by a former employee of the minister of fisheries, now working in his capacity with the fishermen's union and doing this report for the Industrial Adjustment Services Committee of that union.

The report found that the fishermen and the plant workers on the northeast coast and throughout Newfoundland were headed for one unmitigated disaster in terms of the fishery. At that time I appealed to the minister to bring in some kind of an aid package.

He subsequently did that. He called it an aid package. I raised the matter on several occasions, in particular on October 21, pointing out that many communities including the community of Lawn in my district were facing particular difficulties. I mentioned Lawn at that time and let me tell you why I did.

Lawn has 70 fishermen. One of them told me today that it is the worst year he had ever seen in the fishery in Lawn. Forty-five of those fishermen will not even qualify for unemployment insurance this year, plus about 70 plant workers in that community, a community which normally lands about two to three million pounds of fish and this year has landed 150,000 pounds.

I could mention another community, Lord's Cove, with 32 fishermen, 16 of whom will not qualify. One fisherman told me today that in his boat he has had less than $1,000 income over a four-month period from May to August. English Harbour East was saved by the lobsters. There were no groundfish, no mackerel and no cod. In Seal Cove, Fortune Bay, there were no groundfish. It was saved by a bit of lump roe and some lobster. There was an unmitigated disaster all along just about every coast down there.

This 10-42 syndrome we hear about, that those fishermen are supposed to be lazy and they work for 10 weeks so that they can get UI for 42 weeks, let me dispel that one more time.

I was in McCallum a week or so ago and I asked a fisherman how many weeks he had this year. He said: "Do you mean this year or the usual?" I said: "Well give me both." He said: "Usually I do not bother to draw UI at all. It is not worth my while because I get 43 or 44 stamps or weeks of insurable earnings and by the time they get around to applying them I am back working again. Sometimes I get two or three weeks UI a year and sometimes I do not bother to apply". I said: "How about this year?" He said: "I am scraping it to get 10 weeks". That is the difference down there.

Now the minister in his bravado said: "Anyone who can show a reasonable connection to the fishery or to being a plant worker is going to be assisted or my name is not John Carnell Crosbie". Maybe it is not when I tell the House the following. Just after he made that statement, he or his department issued a dictum wiping out, removing from qualification, a whole group of people on the west coast of Newfoundland, St. Georges Bay, St. Georges Bay South, Port aux Basques and the southwest tip of the island, and the Rose Blanch area. He removed the whole category of people who, heretofore, would have qualified because, under the minister's words, they

had a connection to the fishery, a very real connection. They had landed, in past seasons, millions of pounds.

What is his argument for removing them this year? He wants them to wait until the fisheries is over. He is saying to people down there now who do not have the money to buy groceries and who do not qualify for UI and have no source of income that he understands but: "Wait until the winter fishery is over. Would you wait until April because that winter fishery is, by law, January to the end of March".

The minister by his actions, by cutting off all those people, by changing the ground rules, is saying: "Wait another four or five months before you make the payment on the boat, before you make the payment on the mortgage on the house, before you pay on the car, before you buy the groceries, before you put clothes on the backs of your children". That is not good enough. I say to him, maybe his name is not John Carnell Crosbie, maybe it is something else.

I had to go all the way to Roman mythology to find this one. I say to my hon. friend, the parliamentary secretary, did he ever hear, and I am sure he has being an erudite, well educated man, of Janus Jemminus? I am sure he has. His modesty prevents him from saying so, but I am sure he has. Janus Jemminus is defined—

The Acting Speaker (Mr. DeBlois): Order, please. Your time has expired.

Is there unanimous consent for the hon. member to continue?

Some hon. members: Agreed.

Mr. Simmons: Janus Jemminus, in Roman times, was always depicted as having a two-faced head, sometimes without a moustache, sometimes with a moustache, sometimes as having four faces. Perhaps his name is not John Carnell Crosbie. Whatever his name, I ask John or Janus Jemminus or whoever to do the right thing here and come to the aid of those people, the fishermen and the plant workers who, through no fault of their own, are facing the roughest winter ever and are looking to the minister to do something for them.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I am sure we are all delighted to know who Janus Jemminus is. I am not sure the how hon. member invented this person or what history book he was studying.

Mr. Simmons: Roman mythology.

Mr. Belsher: It is Roman mythology, he says. It is mythology all right.

I know the hon. member opposite is very concerned about the total collapse of the fishery in many parts of the Atlantic area this past year, but I also want to remind the member once again that this government has been very concerned about responding to the people who are dependent on the fishery.

It was this spring that we responded to the ice program with the $18 million payouts for the people who could not get their gear into the water because of the ice and also because of the catch failure another program of $39.5 million was put into this and is being worked on right now. The people are applying for that right now.

• (1830)

This program will affect at least 10,000 fishermen and plant workers in Newfoundland, Labrador, New Brunswick, Nova Scotia and Quebec and the lower north shore.

I might add that there is clearly a need to develop a long-term approach to income and employment problems of fishermen and plant workers. It is for this reason that the minister announced as part of the Atlantic Catch Failure Program that a task force will be appointed to address this issue and provide recommendations to government. We do not have the answers because it is a shame that year after year people have to depend upon the government to come in with a special program in order to elongate their weeks of coverage so that they can collect UI for the remainder of the year.

The Government of Canada is committed to those who depend upon the Atlantic fishing industry for their economic well-being, and the government is responding as quickly as possible in conjunction with the industry as well as the provinces involved.

THE ECONOMY

Hon. Alan Redway (Don Valley East): Mr. Speaker, I want you to cast your mind back to some 10 years ago. That was a time of spiralling inflation, some 13 per cent, skyrocketing interest rates, 23 per cent, and double digit unemployment, 13 per cent. It was a frightening time, it

was a time that we have come to call "the great recession", the worst recession since the dirty thirties.

When our government took office in 1984 we did so on a platform of jobs, jobs, jobs, and we did take action. Interest rates fell, government expenditures were cut, Crown corporations were privatized, deregulation was put in place, a free trade agreement was signed, there was tax reform, all of which were aimed at getting the economy moving again, keeping it moving so that all Canadians could benefit. They did until last year when suddenly the economy started to slow down.

We were told that we were in for a mild recession, and that we were going to have a soft landing. The recession has been anything but mild and we have had anything but a soft landing.

Fortunately, although inflation went up, it did not go up as much as 10 years ago. Fortunately, although interest rates went up, they did not go up as much as 10 years ago. Unfortunately, again we have double digit unemployment. It is even greater in my own area, the greater Toronto area. Ten years ago in the greater Toronto area some 113,000 people lost their jobs, but within the last year, 178,000 people have lost their jobs in the greater metropolitan Toronto area. This has impacted on Toronto worse than it did in the early eighties.

What can be done to help the situation without increasing our deficit or our national debt?

I have suggested a few ways in which that can be done, ways to stimulate demand and create jobs. First of all, it could be done by reducing down payments on the purchase of a new home to 5 per cent as well as using the registered retirement savings plans for down payments on homes. I have also suggested that the Bank of Canada can help by reducing the differential between the Canadian and U.S. interest rates to bring down the value of the Canadian dollar and to let us be more competitive and sell more to the United States, our largest market.

According to the Labour Market Productivity Centre, a federal government agency, we are not competitive because our unit labour costs are too high. Our unit labour costs are made up of three things; hourly labour compensation labour productivity and exchange rates.

Two–fifths or 40 per cent of our unit labour costs relate to exchange rates. In the short run it is going to be easier to impact and change and reduce exchange rates than to make any changes in our hourly labour compensation or in our labour productivity.

Today the spread between the Canadian and the U.S. interest rates is close to 3 percentage points. From 1980 to 1988 it was only 1.92 percentage points and during the 1970s it was only 0.53 percentage points.

We can lower the differential, reduce the demand for Canadian dollars, reduce the value of our dollar and increase our sales of Canadian products and create jobs all without increasing the deficit or the national debt.

We are going to have to do that by narrowing the gap between those interest rates, the U.S. and Canadian interest rates. Do not let the parliamentary secretary or the minister tell you, Mr. Speaker, that we are going to solve all our problems by lowering interest rates because without a job, no one is going to borrow money to buy a house or a car. No industry is going to invest unless they do.

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, to the hon. member who has just spoken, I would like to remind him that it was back in 1990 that there was a difference in the interest rates of 565 basis points.

The Canadian dollar at that time was 84.6 cents. Today there is about a 290 basis point spread in the interest rates between the American and the Canadian dollar. These are the facts. You must deal with the facts as they are there. The Canadian dollar is now higher.

One thing about that is the Canadian dollar has been going up. Much to the chagrin of the people in Canada, and particularly the exporters, there are people in this House who say that we are propping the dollar up. Nothing could be further from the truth.

The very fact is that the Canadian dollar is being driven up because there is a demand for Canadian dollars. Changes have taken place in this world just in the last few months. The provinces also in the first six months of this year have been in the money markets and have borrowed over $10 billion. That is more than double the amount of what they had borrowed on the international market in the whole 1990s.

This is propping up our dollar. It is a message that the world financial community is sending to Canadians that their place is a safe haven for money. Money is something that is very scarce and it goes around. Yet this is the thing that is happening in our country now.

GREAT LAKES

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is a pleasure to follow up on the question I asked in the House on June 4, 1991 concerning the Canadian government action, jointly with the United States, to protect the Great Lakes.

Let me begin by reminding the House of the significance of the Great Lakes. These contain 20 per cent of the world's fresh water supply, the largest reservoir of drinking water in the entire world. They are the major source of drinking water for more than 26 million people on both sides of the Canada–U.S. border. If we include the St. Lawrence River as part of the Great Lakes basin, it is 40 million people.

Now the bad news. It is estimated that between 400 and 500 spills of hazardous substances occur into the Great Lakes every year. Toxic substances such as PCBs and DDTs have been linked to reproductive failure, population declines, developmental abnormalities and generational defects in fish and wildlife.

This summer's report of the International Joint Commission made it clear that the condition of the Great Lakes is a threat to the health of our children. It is producing infertility in adults. It is producing reproductive damage, poor verbal and memory skills in some 4–year olds and weakened immune systems.

Many of the scariest chemicals in the Great Lakes can be traced to one source, pulp and paper mills on the Great Lakes which use chlorine for bleaching. Along the St. Lawrence tributary rivers, and the Great Lakes themselves, 73 pulp and paper mills, out of the 150 in Canada, are discharging into those waterways. In Ontario alone nine mills are discharging 200,000 pounds a day of chlorinated organic substances into the waterways.

• (1840)

In the face of such alarming and well–known statistics, the government has still failed to announce a joint plan with the United States that was promised for last December, put off until March and in April postponed indefinitely. The goal is zero discharge.

Even Lake Superior, a relatively pristine lake in the Great Lakes system, is still not protected to the extent it should be within the commitments that Canada has made under the international water quality agreement it has with the United States.

It is now September and the government has failed to protect the Great Lakes and other waterways in Canada, even from dioxins and furans, the first two substances it should be regulating under the Canadian Environmental Protection Act which was passed in 1988.

This week we heard the minister say that even though it has been proven that the entire effluent of chlorine used in pulp and paper mills is a toxic substance and he recognizes that, he will not regulate the effluent from pulp and paper mills using chlorine.

We have seen the loss of wetlands in the basin and now we have Great Lakes United going to the United Nations. This is a binational organization that is concerned about the protection and clean–up of the Great Lakes. They are saying that deadline after deadline under the international agreement between Canada and the United States has been missed. It is going to the United Nations to ask it to investigate. Surely it is time for the government to protect this international resource.

Mr. Lee Clark (Parliamentary Secretary to Minister of the Environment): Mr. Speaker, I appreciate the opportunity to address what is a very, very important issue. I would agree with the hon. member when she talks about the importance of the Great Lakes. The importance of that body of water has been understood both by this government and her own party when they were in power with the implementation of some agreements that go back for some time.

More recently the present government has announced a number of initiatives which are extremely important and which will make a very significant contribution to both the clean–up of the Great Lakes and the prevention of further pollution in the future.

As I said in the House of Commons on June 4, 1991, when the hon. member asked the question, members on both sides of the House understand that this is a problem which has been building for decades and the reality is that there are no easy solutions, there are no quick fixes.

There are several things that have happened, Mr. Speaker, that I am sure you understand. But I think it is important to remind others who may be watching.

There is in fact, as you know, the formation of the Great Lakes action plan which has $125 million in place to assist with the clean-up of the Great Lakes.

The inclusion of the $110 million St. Lawrence Action Plan ought to be mentioned because that is essentially part of the same basin system.

More recently, there is the announcement in the green plan of the $25 million pollution prevention initiative. This is important because it will be addressing the problems of the future rather than trying to simply look at what has transpired in the past.

The hon. member speaks of co-operation with the United States. There was an announcement that came out of the meetings in Traverse City, Michigan on October 1, 1991, at which the Minister of the Environment was present with his counterpart from the United States. The announcement was of the Lake Superior binational action plan, I think this is important because there is a commitment in that plan for ensuring that the practices of the past are not followed in the future.

There is also some good news. I know my time is expired. Unfortunately, we only have two minutes. The nutrient loading in the lakes, which was such a problem in the 1960s and 1970s, has actually been reduced. We are making progress.

YUGOSLAVIA

Mr. John Brewin (Victoria): Mr. Speaker, my comments arise out of a question I asked a month ago about the situation in Croatia. The situation, of course, has not changed or improved. It has become worse since the question was put in the House on October 8, 1991. The issues in Croatia continue to bedevil all of humanity who are concerned for human rights, for human life, for freedom and dignity. The Prime Minister in his answer to the question that I asked in the House said: "The Yugoslav army is absolutely out of control and has caused extraordinary damage both to the Serbs and Croats in Yugoslavia who have lived for some four or five decades in a state of peace and economic growth and prosperity in that country".

The people of Croatia in June voted 94 per cent in favour of independence. The Yugoslav army has refused to recognize the validity of that vote and is using its armed might to move into Croatia and undermine the possibilities for the people of Croatia to have independence.

Unfortunately the world community has been powerless to prevent massacre, slaughter, innocent loss of life by innocent people, the destruction of some of the treasures of the world in Dubrovnik and there is no sign that I can see, and I hope the parliamentary secretary will be able to bring some news of hope, that there is some potential solution. We see almost weekly new announcements of cease-fires and nothing has happened.

There are three specifics that I asked the Prime Minister about on October 8 that I hope the parliamentary secretary can address in his reply to these comments. First, the question of humanitarian aid. The government did provide for some humanitarian aid through the International Red Cross, but reports out of Croatia say that humanitarian aid is not arriving in Croatia. I suggested at the time, and our party has put forward the proposition, supported by the Croatian Canadian leadership in this country that the aid should be routed through Slovania.

I would like to ask the parliamentary secretary to say whether any effort has been made by the Canadian government to route humanitarian aid through Slovania. I would like to ask whether any effort has been made to increase the aid from the amount announced. I think it was $250,000. Clearly the situation is they are heading into winter and the situation is going to be desperate for hundreds of thousands of people, many of whom have relatives here.

The second point I would like to ask the parliamentary secretary about is economic sanctions and what has happened about economic sanctions. We had today in respect of Haiti an announcement of economic sanctions imposed there. The government was quick to support economic sanctions against Iraq. What is happening about economic sanctions?

The third question I would like to ask is what diplomatic initiatives is Canada taking within these days? We know about the diplomatic initiatives before and we fully support that. We know the strong statements the Prime Minister has made on this issue. We know the initiatives the government took a while back to have the matter

raised at the United Nations. What I would like to know is what is happening now when the situation is desperate.

I would like to see what initiatives the government is taking in recent days and proposes to take in the days ahead to try to head off further catastrophe and to give some hope to the people of Croatia.

[*Translation*]

Mr. André Plourde (Parliamentary Secretary to Minister of International Trade): Mr. Speaker, perhaps I may point out first of all that since the beginning of the Yugoslav crisis, Canada has spoken out firmly against the excessive use of force as reflected in the actions of the federal Yugoslav army in Slovenia and subsequently in Croatia.

Since June 27 this year, our government has criticized the use of the Yugoslav armed forces. In recent weeks, according to all observers, the army has reacted with a force out of all proportion to the acts of aggression committed against the army. However, we must not assume that all parties have been guilty of breaking the many cease-fire agreements to which they were committed.

We have indicated on several occasions that strict and unconditional observance of cease-fire agreements is an essential condition for seeking a negotiated settlement. Canada still believes a comprehensive solution to the crisis is possible. I am referring to the twin track approach adopted by Serbia and Croatia on October 4. We believe that concentrating on a single aspect of the problem, such as withdrawal of federal forces, is not likely to be helpful in reaching a comprehensive settlement. An agreement between the Yugoslav republics should involve a set of guarantees including protection of human rights and minority rights and respect for the principles of international law.

The Secretary of State for External Affairs has already announced publicly that Canada was prepared to join the international community in imposing economic measures on those parties that obstructed the peace process. To be effective, such measures must be taken in close co-operation with all trading partners of the parties involved. Since Canada's economic ties with Yugoslavia are relatively modest, we can only act in consultation with our European partners, preferably under the aegis of the UN Security Council.

If the House gives its unanimous consent, I would like 30 seconds to deal with a question that was raised by the hon. member with respect to Canada's contribution.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

Mr. Plourde: Economic sanctions should only be applied if political negotiations fail. They must be imposed carefully to ensure that they have the desired impact, which in a federate country in that part of the world is not assured.

As you know, Canada contributed $250,000 to the International Committee of the Red Cross for Yugoslavia. We believe that the Red Cross is respected by all for its impartiality in providing services to those in greatest need. The Red Cross with its six local offices in Croatia and Serbia is the best way to send our humanitarian aid. We will keep in touch with the ICRC and the UN High Commissioner for Refugees to assess their needs.

[*English*]

ALGOMA STEEL

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, on October 7, 1991, I asked a question that I think I have asked three or four times. I have not received the answer in Question Period. Perhaps in adjournment proceedings the parliamentary secretary will give more specifics, so I am looking forward to the response.

My question is with regard to the Canadian steel industry that everyone agrees is certainly at peril. It is the cornerstone of any country's manufacturing and everyone agrees that the steel industry in Canada is at peril.

I have spoken, no doubt, regionally and parochially about Algoma Steel at length, but also recognizing that Sysco Steel in Nova Scotia is about to close or possibly it shall close, and most of the other major steel producers in Canada are losing money. They are losing millions of dollars and in some cases hundreds of millions of dollars.

For one year now at Algoma the problem has been very real. It is a crisis that continues. I do not know if the community can withstand the crisis on an ongoing basis. We have lived from deadline to deadline, extension to extension. The last time we made a request to the federal government was for a $10 million loan guarantee. At that time, they waited and waited and spoke and said we are talking to players. They talked it out and there was no $10 million loan guarantee.

This time we are again on a deadline. We are looking at December 16, an extension, to take a look at the restructuring of Algoma. We all recognize and we all know that there will be less people working at Algoma. I have asked the Minister of Industry, Science and Technology on numerous occasions as well as his senior staff what the federal government is prepared to do. It has suggested that it is still talking with all of the players and it is waiting yet again until the final proposal comes forward.

It is difficult for a community to stand on the edge for one year, and December 16 is precariously near the Christmas season. We would like some specifics from the government. I know it cannot say it will address 2,000 people for retraining and it will address 575 older working people under the older workers adjustments program, but it can do more than just say it will continue to talk with the players and it will help where it can help when the restructuring is in place.

I ask the parliamentary secretary to respond on behalf of the minister. Can he give us some specifics? Forget the generalities now and say that, yes, we are prepared to get involved in tax credits so that employees may buy out an ailing company. Just follow the Ontario government lead.

Will the government recognize the older workers adjustment package and introduce some flexibility?

I met with the Minister of Labour and he suggested that some flexibility is possible.

Will the government offer any assistance in some pension enhancement so that we can get older workers to step aside for younger workers so that the community is not really decimated with all of the young families forced to relocate?

I ask the parliamentary secretary if he can give us any indication, any solace, that there are some definite specifics in mind that the federal government is considering.

Mr. Charles A. Langlois (Parliamentary Secretary to Minister of Industry, Science and Technology): Mr. Speaker, I hope that the answers and information I will provide will answer some of the concerns of my hon. colleague from Sault Ste. Marie.

The government has been actively involved in the restructuring of Algoma Steel from the beginning and we remain deeply involved.

In February 1991, as my colleague knows, the government along with the province of Ontario, Dofasco Inc., and the Royal Bank, participated in a loan guarantee for Algoma enabling it to borrow up to $60 million. This bridge financing was made available to the company to ensure that it kept operating until it received the proceeds from the sale of its coal mine in West Virginia.

A major condition of that loan guarantee was that the federal government would not be involved in subsidies for restructuring. Direct financial assistance would doom Algoma since it could provoke U.S. countervailing duties and preclude Algoma from selling to its primary export market in the United States.

When the government's participation in this loan guarantee was announced we noted that the government will abide by the terms of its policy statement on the steel industry that was made in 1984.

That policy, which is still endorsed by the industry and which has been observed, states that the federal government will not provide any form of capital assistance to the steel industry. The steel industry is in agreement.

Rather, any further federal involvement with Algoma would be limited to the use of existing programs focusing on worker adjustment, retraining, community adjustment and the provision of marketing, trade and technical assistance.

Having said that, government officials are examining a proposal by the steel workers union to establish a training and economic development institute in Sault Ste. Marie.

Although the company has not made a formal proposal to the government, there have been discussions regarding the availability of funds to support an older worker early retirement program, if that proves necessary.

My riding is an iron ore producing riding. We ship large quantities of iron ore to the Canadian steel industry. I have the same concern he has because when the steel industry goes down the shipment of iron ore goes down also.

I would like to assure my hon. colleague that we on this side are as concerned as he is about the steel industry and the iron ore mining industry and we will try to do everything possible to alleviate the hardships caused to the workers and the community.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The motion that the House do now adjourn is deemed to have been adopted. Therefore the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.58 p.m.

HOUSE OF COMMONS

Tuesday, November 5, 1991

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

TABLING OF DOCUMENTS

EXPENSES INCURRED BY MEMBER FOR ABITIBI

Mr. Saint-Julien: Mr. Speaker, on a point of order I would like to have the unanimous consent of the House to table in the House, in both official languages, a disclosure statement on the expenses incurred in the performance of my duties as member of Parliament for Abitibi in July, August and September 1991.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is no unanimous consent.

Mr. Saint-Julien: On a point of order, this refusal is considered to have come from the opposition, namely the Liberal Party, the NDP and the Bloc Québécois. Thank you.

The Acting Speaker (Mr. DeBlois): As the hon. member knows very well, that is not a point of order.

* * *

[*English*]

BILL C-3

REPORT OF LEGISLATIVE COMMITTEE

Mr. Doug Fee (Red Deer): Mr. Speaker, the legislative committee on Bill C-3 completed its deliberations yesterday.

In presenting its report, I would like to present four very brief compliments; first, to the Clerk and the research staff assigned to the committee. The briefing materials and summary that they prepared were excellent. Second, I would like to compliment the minister, the President of the Treasury Board, for his attendance and for addressing all concerns that were raised by the committee. Third, I compliment the chairman, the hon. member for Labrador, for his expeditious handling of the committee and finally, committee members from all three parties for the co-operative, constructive way that they filled their obligation.

On their behalf I have the honour to present, in both official languages, the report of the legislative committee on Bill C-3, an act respecting the acquisition, administration, disposition of real property by the Government of Canada, with one amendment.

[*Editor's Note: See today's Votes and Proceedings.*]

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PETITIONS

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is a pleasure to present a petition on behalf of a number of residents of British Columbia from a number of communities which indicates their opposition to damming the

North Thompson River at Valemount in an effort to divert the water into California.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, on another matter, the residents primarily of Kamloops point out through their petition a whole variety of reasons for their support of the RCM Police.

The petitioners urge the government to continue with proper funding for the RCMP so that it is able to fulfil its mandate and role as the only visible police force for most communities across British Columbia.

YUGOSLAVIA

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I have the honour to present two petitions from many residents of Mississauga and other communities in the greater Toronto area dealing with the current problems in Croatia and Slovenia.

Clearly we all have our concerns about the Yugoslav army slaying innocent people of Croatian, Slovenian, Hungarian, Macedonian and Albanian backgrounds.

This petition calls upon Parliament to ask for justice for those responsible for these crimes against humanity, and to recognize without delay the independence of Slovenia and Croatia.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I am pleased to rise to present a petition today.

The petition is signed by numerous residents of Inverary, Wolfe Island, Elginburg, Joyceville, Harrowsmith and Howe Island.

Many of these individuals are in the neighbouring riding of Hastings--Frontenac--Lennox--Addington. A few are in Kingston and the Islands.

The petitioners are virtually all members of the farming community. They are seeking to uphold article XI of the GATT, and they call upon Parliament to instruct the government to hold the Canadian system up as an example to all the world, to protect it at all costs in the upcoming negotiations and indeed, to strengthen article XI of GATT so that the dairy industry in Canada may prosper.

[*Translation*]

CANADA LABOUR CODE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I would like to present a petition from people in Preissac, Matagami, Val-d'Or, Amos, Malartic and Villemontel in Abitibi who say that the Canada Labour Code must respect the principles set forth in the Canadian Charter of Rights and Freedoms and therefore is supposed to protect women's rights. They also say that preventive withdrawal for pregnant women is a desirable and necessary option for working women.

For these reasons, they humbly ask Parliament, when it reviews the Canada Labour Code, to consider seriously the deficiencies in it and to recognize the need to include in the code clauses concerning the preventive withdrawal of pregnant women, with pay.

* * *

[*English*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

YUGOSLAVIA

The Acting Speaker (Mr. DeBlois): I am in receipt of a notice of a motion under Standing Order 52 from the hon. member for Winnipeg South Centre.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I gave notice this morning to the Speaker's office asking for an emergency debate on the situation in Yugoslavia. If I might, I would like to address the central question of urgency which is always the point upon which Your Honour has to make a decision.

The urgency is caused first by the situation in Yugoslavia itself, the deteriorating conditions, the loss of life, the destruction of an historic city, and the potential of the absorption of a whole region of Croatia by the Yugoslav army and by the Serbian state. That clearly is a condition that deteriorates day by day.

Second, we received information today that the United Nations is about to consider whether there should be a major trade embargo, particularly on the question of oil, which is to be debated at the United Nations within a matter of days. This would demand some kind of expression from the Canadian government and from the Canadian people as to how they would like to see our country participate and to ensure that we took a leadership role and were supportive of the application of those kinds of embargoes.

Third, I would point out that we have had no opportunity thus far in the proceedings of this House to debate Yugoslavia. There has been some discussion about trying to get a joint resolution but that has not come to fruition. We heard today by way of petition the real concern of many Canadians about the deteriorating situation and it can only be resolved by debate in this House.

This is a prime example of how Parliament must speak on behalf of the Canadian people on an issue that affects us all as international citizens. Mr. Speaker, I really would ask that you give serious consideration to giving parliamentarians an opportunity to speak on an issue that bothers us and is of such great concern to all Canadians.

Mr. John Nunziata (York South--Weston): Mr. Speaker, I would like to support the application by my colleague for consideration of this matter before the House of Commons. I have received many representations from my constituents about this issue.

The Acting Speaker (Mr. DeBlois): I apologize for interrupting the hon. member, but according to the rules, only the hon. member who moves the motion to adjourn under Standing Order 52 has the floor.

I am ready to rule. I think the hon. member raises a very important question, but according to the rules of this House, I cannot today give a positive answer to his application.

* * *

POINT OF ORDER

EXTENSION OF HOURS OF SITTING

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, last evening in the House a question was put by Your Honour to the House concerning a motion made by my colleague, the parliamentary secretary to the government House leader for the extension of the hours of sitting. My learned friend from Glengarry--Prescott--Russell raised this issue last evening. I think Your Honour has reserved on it but I want to support the submissions that he made at that time because I think it was clear that the parliamentary secretary gained the floor on a point of order and got the question put on a point of order. It has been the invariable practice since I was elected to this House that such a motion could only be made by a member who had risen in debate on a speech, not on a question or comment, not on a point of order.

• (1020)

The question was put to the House and it was objected to of course by the requisite number of members and blocked. But in my submission, it ought not to have been put to the House. It appeared in *Votes and Proceedings* as a motion that had been put. No objection was made at the time and unfortunately I was not in the Chamber. I walked in as the members were rising in their places to object and was unable to be here to object more vigorously.

Since the member for Glengarry--Prescott--Russell raised the matter I did not stand.

I want to reinforce the point that it is most unusual for that motion to be put in that circumstance. I would ask that Your Honour review the practice very carefully because the invariable rule since I have been here is that only a member rising on debate could put the motion. For example, if a member of the--

[*Translation*]

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): Order, please. For the sake of brevity, the question was raised yesterday evening by the hon. member for Glengarry--Prescott--Russell. After due consideration, the Chair is now ready to announce its decision.

I am willing to entertain further arguments, if you insist, but I think the case was clear from the start, and I admit that the request made yesterday by the hon. member for Glengarry--Prescott--Russell was entirely legitimate. I was in the chair at the time, and I thought there was unanimous consent for the motion presented by the parliamentary secretary. However, it is true such motions may not be moved on a point of order, and I should not have allowed the motion at that time. I think the incident is now closed.

[*English*]

Mr. Cooper: Mr. Speaker, on a point of clarification, I would like to know the Standing Order on which the ruling is based, that a motion such as that could not be put on a point of order.

[*Translation*]

Mr. Milliken: To help the parliamentary secretary, I may refer him to the commentary on Standing Order 26 in the *Annotated Standing Orders of the House*, published by this House in 1989. In one of the paragraphs on page 67, we read as follows:

> Such motions have been disallowed when moved on a point of order.

There are many precedents in this House for disallowing these motions, as you yourself said, Mr. Speaker, and I hope the parliamentary secretary will read the *Annotated Standing Orders.*

The Acting Speaker (Mr. DeBlois): I am still willing to listen to what others members have to say, but I think the Chair has received ample clarification and that there is no lack of precedents in this respect, as was pointed out by the hon. member for Kingston and the Islands. I may refer the House to page 67 of the *Annotated Standing Orders*, French version, where it is clear the kind of motion presented yesterday was not in order. However, I am prepared to again recognize the parliamentary secretary.

[*English*]

Mr. Cooper: I do not want to take time from the House so it can get on with its business, but I do want to make this point. If one were to look at Standing Order 26(1), item (a), it would seem to me that it is fairly obvious, and if I just may read the relevant parts:

> --the motion must relate to the business then being considered provided that proceedings in any Committee of the Whole may be temporarily interrupted for the purpose of proposing a motion under the provisions of this Standing Order;

In other words as I read that, the only way you could interrupt the proceedings in the Committee of the Whole would be by way of point of order. I would argue that in spite of the fact that you may have precedents not to move such a motion under a point of order, our own Standing Orders provide for that and we need to re-examine those precedents. I think Standing Order 26(1)(a) states that it would be in order to do that in Committee of the Whole. It should therefore be in order to do it during regular debate.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. member's comments will be part of the record and, if necessary, the Chair will provide further clarification. We shall now proceed to the orders of the day.

GOVERNMENT ORDERS

[*Translation*]

CORRECTIONS AND CONDITIONAL RELEASE ACT

MEASURE TO ENACT

The House resumed from Monday, November 4, consideration of the motion of Mr. Lewis that Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator, be read the second time and referred to Legislative Committee G.

Mr. Peter Milliken (Kingston and the Islands): Mr. Speaker, I welcome the opportunity to speak to Bill C-36 and express the views of my constituents, because our penitentiary system is a very important issue in the riding of Kingston and the Islands. There are probably more penitentiaries in this riding than in any other riding in the country. There are also quite a few prisons near Kingston, for instance in the riding of Hastings--Frontenac--Lennox and Addington. I believe four are located right near Kingston. This means that many people in my riding are employed by the Solicitor General and Correctional Services Canada.

[*English*]

This bill represents an important change and a very important updating in the law that the minister introduced with great fanfare yesterday. We were told that this bill was part of a package of law and order legislation that the House would deal with this week.

Certainly the government's interest in this area is new-found. After seven years of inactivity it has decided that something needs to be done that Canadians have been crying out for for a considerable period. I am delighted that the government has finally decided to move after numerous studies, lots of consultation and a lot of foot dragging.

The minister in his speech yesterday spoke eloquently and in glowing terms about our justice system. I want to say that from my own experience as a member, I have visited all of the numerous penitentiaries. I think there are nine including maximum, medium and minimum security penitentiaries. There is a correctional staff college in Kingston. The Solicitor General's Ontario regional headquarters is located in Kingston. I have visited all these places and have had the opportunity to see first-hand the kind of services that are provided. These include those facilities that are operated by the National Parole Board in Kingston and grant parole, including day parole and day passes to inmates in various correctional facilities.

On the whole I have been extremely impressed with the quality of service that is provided by our penitentiary service. It appears from any fair and balanced observation that Canada is a leading country in the corrections field. We provide a very high quality of correctional service. I am not so sure it is the best in the world but it is certainly a very good one and measures well against any other correctional service. I think that the strengths of the service lie in the rehabilitation facilities that are offered, particularly in the minimum security institutions. I hope that in looking at the law and order legislation that the minister is bringing forward the rehabilitation of offenders will not be lost in the shuffle.

• (1030)

There are three basic principles that must guide any corrections service: first, protection of the public; second, the rehabilitation of offenders; and third, deterrence to others. There may be others but those are certainly three of the principal ones.

In the minister's speech yesterday and in the press releases that accompanied this bill on its introduction, he indicated that this bill represented a major change because it put protection of the public at the top of the list.

Frankly it was a bit of a specious argument on the part of the minister. I am surprised that he trumpeted this so loudly. Of course protection of the public has been the primary concern of all the correctional facilities and institutions of this country since they were established. To suggest somehow that this law represents a major advance in terms of protection of the public is a bit thick.

I am glad that the minister is concerned. We are all concerned and to suggest that any member is not would be unfair. I think that the protection of the public is clearly the primary motive for penitentiaries in the first place and it is certainly one that we would fully support.

There are parts of this bill that my colleagues have indicated we will support. We do support the bill in principle.

The issue of rehabilitation of the offender is really extremely important because protection of the public does not just involve locking up. It involves making it safe for the public when the person is released. Inmates invariably get released and for the government to ignore the issue of rehabilitation is to ignore protection of the public. The two are very closely intertwined. We cannot have one without the other.

My fear is that the continual cutbacks in funding for penitentiaries that we have had under this government in all fields will be felt most keenly in the rehabilitation field.

Rehabilitation is vital for the protection of the public. It is vital for the citizens of our country who are locked up in the prisons. We must not forget that almost all of them are citizens of Canada. They will be out of these prisons eventually and we need to make them working, capable and diligent members of society upon their release.

We want them to take their place again in society and contribute to the benefit of our country. We do not want them to continue in a life of crime. We must create the atmosphere in prison where rehabilitation can work. We must offer the rehabilitative services that are so vital in terms of retraining. If we do not do these things then we are failing in a primary objective of corrections.

If we stress the protection of the public and the importance of incarceration, we will lose track of the importance of rehabilitation. That part of corrections is something that we in this party believe is very important and deserves more consideration than it is getting in the current debate.

I am surprised to hear the minister say that the protection of the public is now paramount as though it had not been in the past. The thrust of his bill is to change the rules in part relating to parole. The bulk of the changes that he says will protect the public allow judges to keep an inmate incarcerated for a longer period by terms of his sentence so that the National Parole Board gets no jurisdiction to consider early release of a person in custody.

If that is the case what is the problem? Has the National Parole Board been too generous in allowing prisoners in our institutions to be released? I do not see much evidence of that. I do not see a lot of facts and figures brought forward by the minister to suggest that the National Parole Board has been playing fast and loose with the safety of Canadians.

The fact that inmates are entitled to be considered for parole does not guarantee that they will be released. If the minister feels that is a problem, I wish he would have brought forward some figures to back up this kind of contention. He did not make the statement directly but the suggestion is that the National Parole Board has somehow allowed too many inmates to be released.

I do not believe that is so. If it is, the changes have clearly taken place in the last seven years. Perhaps it is because the good members who were on the National Parole Board before the government took office were not reappointed. Maybe it is because it put too many of their own supporters on the National Parole Board and perhaps they were less than enthusiastic about keeping people in prison. I do not know. But if that is a problem, perhaps the minister should replace them with the people who were there before. It did not appear to have been a problem until 1984.

Mr. Dick: I thought we were trying to be less partisan.

Mr. Milliken: We are. If that is the kind of comment the minister is making, I would just point out that perhaps that is where the difficulty lies. The Minister of Supply and Services may disagree but he can make a speech in this debate too.

In my experience with the National Parole Board, I think it is extremely careful in its review of cases. It is extremely thorough in its review of cases. Admittedly there are problems. There are always some people who are released who should not be released. Let us look at the system.

We are dealing with a group of men and women appointed to the National Parole Board who like us are not perfect. They make mistakes. We are also dealing with a group of men and women, mostly men, but some women, in the penitentiary system who apparently are not perfect either. They have been convicted of various crimes. Therefore the National Parole Board, in its interaction with these people, has to deal with a real variety of individuals. Its success rate, particularly on day paroles and arrangements for temporary absence, is extremely high.

Unfortunately the minister did not cite a lot of statistics to support the work of the National Parole Board. I wish he had done so because, in my view, by and large, it has been quite successful in the work it does.

Parole is very important in our system. It is a carrot that is held out to a person who is facing a lengthy period of time in an institution that can help induce a real desire for change. It is vital. If we do not have that kind of carrot, what is the incentive to the inmate to change his views or his ways or to try to improve his situation in life upon release? I suggest that there are not many carrots available and parole is one of the very good ones.

The change that allows victims to attend parole board hearings, where the chairman of the parole board so decides, is a very important, significant and good change. The minister is to be commended for that. Many other jurisdictions allow much more open hearings than Canada does. We should be moving toward more open hearings. This is a first step and I commend the minister for that effort.

If the system is as bad as he says it is, I wish the minister had beenmore clear. I wish he had stated figures to support his contentions but he did not. I suggest that the minister has fallen into a trap which has consumed many members and it is that we tend to criticize the system because of the mistakes that have been made which are so sensational.

There have been some serious mistakes and there will always be mistakes. That is a problem we cannot solve. To simply lock people up and throw away the key does not solve the problem of crime in Canada. After all,

most of the people who are in the institutions are not committing crimes. There are some committed within the walls of the institution of course but the crimes that are committed on the street are not committed by inmates. In my submission we ought not to be expanding our prisons at an enormous rate to hold more and more people. We need to attack the roots of crime to try to prevent these crimes from happening in the first place. Unfortunately this bill does absolutely nothing in that regard.

There are two things the minister said to which I particularly want to draw attention. I have touched on one already. The first statement that was made is recorded at page 4429 of *Hansard*:

> There is a very real and disturbing perception within society that the balance is all wrong.

As Solicitor General, I wish the minister had done his best to convince society and this House that the balance is not all wrong. The person who is incarcerated does not lead the life of Riley. I have been to the institutions. I have toured them. I wish more Canadians could see the living conditions in some of the maximum security institutions, particularly in our country. It is not a piece of cake. Life in prison is not a pleasant experience. I do not think there is anyone in this House or anyone I know who would particularly enjoy being in one of those institutions. It is a far cry from a pleasant life, in spite of statements by people like Harold Ballard who said that he enjoyed his time in prison. I suggest that that was a specious comment. He did not. Had he been in a maximum security institutions he would have enjoyed it even less. That is the first thing and I think that we tend to forget that. We talk about the good food that people get and the fact that life is organized for them. That is true. But many of the strictures on their lives in prison, the long hours spent alone in cells, would not be a pleasant experience for many people.

• (1040)

Second, I think the minister might have pointed to the success rate of the parole system that we now have in Canada and the success rate of our prison system. They could be higher but by and large the system has worked reasonably well. It is unfair for the minister to suggest, without correcting the suggestion, that there is a perception that the system or the balance is all wrong.

In my view the minister should have said the system is not all that bad. We are seeking to improve it. There is room for improvement but we want to stress the strong points of the system too. They are there and the public should know about them.

I think there is a lack of boasting on the minister's part about the accomplishments of his department. I would hope that he would make more statements about the success stories that exist within Corrections Canada.

The second part of his remarks that I wanted to deal with is one that surprised me. The minister is usually very erudite and clear but there was a lot of obfuscation in his speech yesterday, particularly on page 6 of his notes. He talked about the possibility of having people eligible for parole at various times in their sentences.

> It is a curious truth that sometimes society is better protected by moving certain offenders through the system and out of prison faster rather than leaving them behind bars where hope, job prospects and family support can fade away all too quickly. The rationale for doing this, while well supported as a rehabilitative measure, will also allow us to free up almost $1 billion which we spend each year to lock people up. By doing so we can place a greater emphasis on keeping the violent and dangerous offenders behind bars longer.

The plan is to move through the system more quickly those who have been convicted of property offences but not violent offences. Then the plan is to lock up drug offenders and violent offenders for longer periods.

Frankly I do not think there is going to be much of a saving. The minister suggests that somehow part of the $1 billion is going to be saved by moving these others through the system more quickly, yet in the same breath he says he is going to lock people up with longer minimum sentences and with longer dates before parole eligibility comes up. This really flies in the face of reason.

What he is doing is saying that he is going to save on one hand and spend with the other. What he should be doing is saying that we need to commit more funds to rehabilitation in our system however it is done.

Locking people up for longer periods in and of itself is not going to do that because it will drive up the costs of operating the penitentiary system which admittedly is a significant cost in this country. We need to find ways of doing it more efficiently and in a less expensive way per inmate but at the same time try to maintain a level of care and rehabilitative service that is reasonable in the

circumstances. As always in these matters there has to be a balance struck.

I wish the minister had been a little clearer on this point instead of trying to suggest in one paragraph that he was going to save Canadians money and in the other suggest that early release was just the thing for one group of offenders.

I agree with him. The early release may be appropriate in those circumstances. We will see. Experience will teach us something. But I suggest that he must have some figures and facts to back up his suggestions, and yet there were none presented in the course of his remarks yesterday. Nor were there any that I am aware of in the background papers that were distributed at the time of introduction of the bill.

To conclude, I want to say that I commend the government for its effort on this. I believe this bill can be carefully and usefully studied in committee. I see that the government has incorporated a change which I myself had proposed in a private member's bill to the Penitentiary Act. That is to allow access for members of Parliament, senators and judges to prisons. I see the government has hedged a bit by providing that it may make regulations governing the rights of those persons to visit institutions. I have concerns about that. The reason that I had put it back in the bill is because the government was seeking to regulate it too much and it was not in the bill. That particular provision needs rewording in my view.

The minister has indicated his willingness to consider amendments in committee. I hope that that is a serious commitment on his part. I hope he will consider amendments that are presented by the opposition in a reasonable light because we will have some amendments to move to this bill. By making changes at the committee stage we can improve the bill so that we end up with a correctional service in Canada of which we can all remain very proud.

Mr. Dennis Mills (Broadview--Greenwood): Mr. Speaker, I would like to compliment my colleague from Kingston and the Islands for his remarks. Being a member who has nine federal institutions in his riding, he perhaps does have a better grasp on the complexity of this issue than most of us have.

He mentioned during his remarks that this bill does not do anything to attack the roots of crime. He also talked about the fact that we needed to educate our society as to what happens in these correctional institutions and make people more aware of just how our whole parole system works.

I wonder if he could give me his opinion on an idea that I have been thinking about for a while. It has to do with younger people. I think students in grade eight or high school should be exposed to a federal institution as part of the educational system. I do not mean where they come into contact with hardened criminals or even talk to them. The hon. member says that the condition is not very flattering.

Does the hon. member think that it could be a deterrent to crime if more of our youth in a supervised way were exposed to the conditions of some of these federal institutions? Does he think that is too harsh or too dramatic? I know in my particular riding there is a city jail. It is the old Don Valley jail. I know that when you drive by that institution and see the remnants of the old institution it is a pretty scary thought. I tend to think that if some of our younger people had an early taste of just what that institution is like from the inside and not just the outside that it might go a long way toward crime prevention.

I wonder if the hon. member could comment on that.

Mr. Milliken: Mr. Speaker, the hon. member for Broadview-Greenwood raises an interesting question. I am not an educator, so I feel a little apprehensive in answering his question directly.

I think he has suggested it is a good idea. I would agree it is a good idea but I would leave it to the teachers in class to decide what if anything pupils ought to be exposed to at that age. The place I would have in mind is Kingston penitentiary which I think was built in 1853. It is a very old institution. When you go inside you are well aware of that fact.

The inmates that I have met with have complained in one of the ranges of having a racoon and rats in the range. Birds fly in the windows that are broken and open. I have been in the range. I have seen the windows in this condition. I know that it is like that. I am told it is being repaired.

It is not a pleasant place to be. Obviously with the cells being just bars, these animals are free to get right into the cell where the inmate happens to be. It is not a picnic being in these places.

I think young persons would be shocked to see what they would see if they were there. Whether it is worth exposing them to that kind of environment I am not sure. If more of the public could see what it is like, particularly in some of our older maximum security institutions, I think their view of prison life being some kind of picnic would radically change.

Mr. John Nunziata (York South--Weston): Mr. Speaker, I would like to ask my colleague a question about the role of victims in the criminal justice system. The government is proposing that victims be formally recognized. We have been pressing for some seven years now for victims to have a greater role in the criminal justice system. They seem to be all too often forgotten. The government is proposing that the victims be kept informed of an offender's prison and parole status if they request and information from victims be considered at a parole hearing.

• (1050)

At present, victims can only appear before a parole board hearing if the inmate consents. What the government is proposing is that the discretion should be in the hands of the National Parole Board. It should be up to the parole board to decide whether or not a victim or the families of a victim can attend.

Would he not agree that this should be taken one step further and that victims should have the automatic right to participate at parole board hearings, that all too often the victim's concerns are not addressed?

Yesterday I indicated to the House a case where one of my constituents was brutally raped. One day she went to the corner grocery store, paid her bills, turned around and there was the person who had been convicted of the rape. She was not informed of the person's release. There were no conditions attached to that person's release, for example ordering that person not to go back into the community where he committed the crime.

There have been a number of other very high profile cases where had the victim or the family of the victim been in attendance certain tragedies might have been avoided. We know of the Melvin Stanton case, the Allan Sweeney case, the Joseph Fredricks case, the Daniel Gingras case, the George Foster case and numerous other cases where the absence of another perspective or another point of view at the parole board hearing could have avoided certain tragedies.

Can my friend comment on the role of victims in the parole system and would he not agree that victims should have the right in law to attend parole board hearings?

Mr. Milliken: I listened yesterday, Mr. Speaker, to my learned and hon. friend's speech.

I think there are two issues here. The first is the right of the victims at the stage of the trial. I think the criminal law was amended not that long ago. I think it was about 15 or so years ago. I was practising law at the time. I recall that victims were allowed to make some kind of a submission to a judge in writing or something at that time. Occasionally a Crown Attorney will have a victim there and will invite comments from the victim at the time of sentence. It is not unheard of for that to happen in our criminal justice system. When was some change made in the law? I am sorry, but I am not familiar with the technical change.

In my view, it is entirely appropriate that at the stage of sentence, the victim have something to say about the disposition to be made in the case. Having done that, the question of parole becomes an issue of rehabilitation of the offender. That is what parole is for. It is not to continue to satisfy the need for revenge or the need for punishment. It is there to try to rehabilitate the offender as a useful member of society again.

The parole hearing, in my view, is a different thing. It is a professional assessment by professional parole officers of the offender's ability to rehabilitate himself in society and take a useful place there and whether or not the offender should be released on a temporary or part-time basis or into various living arrangements in society.

I agree that the victim may have something useful to say at that stage and that is why I think the government's proposal is a sound one, that victims should be able to go. As to whether they should have a right to attend, I am not sure. I can imagine there would be circumstances

where their attendance would be very disruptive to the hearing because of a continuing anger, if you like, on the part of the offender or on the part of the victim toward the other, an animosity that exists. I am not sure that having a right to attend is really going to further the cause of rehabilitation. It may, but it may not. Since the purpose of the parole hearing is rehabilitation, I am not convinced that the right is necessary. Where it is appropriate that the victim attend, the law allows it. The victim still has a right to make submissions under the law under this new bill to the chairman of the parole hearing and I think that is entirely appropriate.

The hon. member may be right in saying that there should be this absolute right. I am not absolutely convinced of it. Maybe I could be in committee, but I think we have a system that is worth trying. We should try this and see how it works. If it is successful, I would be in favour of expanding the rights beyond what are proposed in this legislation. However, I think it is important to remember that parole is not a second trial. It is a hearing for the purpose of seeking the rehabilitation and re-establishment of the offender in society. The offender is going to be released sooner or later. The question is when. The parole hearing is to determine whether or not the release should be done earlier, subject to conditions, so that there is some continued restraint imposed on the offender. That is the purpose of it, and I hope we can bear that in mind in looking at the two types of situations, the trial and the parole hearing.

Mr. Dennis Mills (Broadview--Greenwood): Mr. Speaker, I will not be long. I just want to make a few short remarks on this because, as I mentioned in the House yesterday, this is a very complex issue for us in Toronto because we, of course, right now are facing crime statistics of such proportion and magnitude that people are afraid to walk the streets at night. In my own riding, just in the last week we had over 29 break and enters on one street in my riding on the Danforth which is a street of mainly merchants.

The police feel that they are not getting support from the system. Therefore, it is important that when we have a bill in the House like today on reforming the correctional system that we do not just push it through with a couple of speakers on each side of the House, but that we spend some time talking about it to see if we can put forward some amendments that will address t[illegible]hese concerns.

I realize this is a complex issue. As my colleague from Kingston and the Islands said earlier today, life in a federal prison institution is not the life of Riley. It is a very tough existence. Of course, most people in urban centres feel that it should be a tough existence. They do not feel that this should be an easy kind of existence. There is a feeling in most urban centres today that our entire parole system is really not working. They feel that criminals are able to use the system as it exists now to their own advantage. They feel that the justice system has really broken down and they want radical reform.

In my particular riding there are parents of younger people who have in fact been sentenced to federal penitentiaries. They tell me stories about first-time offenders who are put into federal institutions with hardened criminals. We talk today about rehabilitation. It seems to me that it is very difficult to develop a program of rehabilitation when you have first-time offenders in with hardened criminals.

As we look at the reform of this piece of legislation, we should not be governed so much by the $6 billion cost that goes with running our federal institutions, but we should be paying attention to the fact that the system as it is operating right now is not working. With the over-crowding, first-time offenders with hardened criminals, maybe it is time that we build some new institutions where we take the process of rehabilitation in a much more serious way. We have situations right now in some of these federal institutions, and I hear this from people in my riding, that there are sometimes two to a cell, where the first-time offenders are exposed to all kinds of drug habits, that in fact there is no way that a person has a chance at getting solid rehabilitation.

• (1100)

The other thing, of course, is in the area of crimes of violence. There is a feeling right across the country today that those people who are convicted of crimes of violence and who are being paroled too early, without sufficient notice to police forces, are causing an even further breakdown in the system and the public's confidence in our correctional system.

When we take this bill back for amendments, before we have its final reading, we should come forward with something that is not only reasonable in terms of human rights within those institutions, but we must do something that puts a sense of confidence back into the people, mostly in urban areas, who are afraid right now to walk the streets at night. Merchants who are nervous

in terms of their own security because our basic parole system is not working.

Mr. Speaker: Is the House ready for the question?

Hon. Roger C. Simmons (Burin--St. George's): No, Mr. Speaker, the House is far from ready for the question on this one.

I agree with my friend, the minister, that we are having a hard time to get speakers. I held back for a moment, hoping that the hard time would get less hard and that some of the Conservative members over there would stand up. If they will not stand up, we will get up and speak for some of their constituents who are calling, even as we came through the lobby this morning. We will speak for them if they will not speak for them.

There are some things we cannot do, on behalf of the minister, who has all kinds of things to say on this issue from his bench but little from his feet. Will he tell us, for example, just why it is that at this particular time the government is cutting funds for Crime Prevention Week, cutting $2 million in funding?

We hear the strategy of the government: Speak to the bill. All right, let us speak to the bill.

What could be more germane, Mr. Speaker, than a missile from the government labelled "The Proposed Corrections and Conditional Release Act Highlights"? These are the government highlights, these are put out by the government.

The government says this is a highlight of this new bill before us. This is highlight number one: "Protection of the public will now be the paramount consideration in all decisions relating to the treatment and release of inmates".

Mr. Nicholson: That's the kind of legislation Canada needs.

Mr. Simmons: There is the gentleman from Niagara Falls struggling to make his maiden speech in this House. He was applauding and I applaud with him this sentence. I mean, can you get any more salutary? Is there anything more commendable than this first objective? "Protection of the public will now be the paramount consideration in all decisions relating to the treatment and release of inmates." I am sure the member for Niagara Falls, when he gets up to speak in the debate--

Mr. Nunziata: If he does.

Mr. Simmons: --will explain to us the implicit contradiction in terms in that first highlight, that first statement. Listen to it one more time. In part it says: "protection of the public will now be the paramount consideration".

What has been their paramount consideration up till now, I want to know. Are they telling us they have discovered something new? Are they admitting in that first highlight that until now it has not been the paramount objective, that we need some new legislation? Good Lord, I would hope that any government worth its salt, any Parliament worthy of the name, would have long since made that the objective. That is the kind of drivel you get from this crowd. They are now going to rediscover motherhood.

The difficulty with this bill is not that there is a need for it. That is not the issue at all. In this House we cannot find anybody in any party in this Chamber or any Independent who sits in this House--and they are getting more by the minute almost around here--who would disagree that there ought to be updated legislation to ensure that the public is adequately protected on this matter. That is not the issue.

On this as on so many other issues that we could mention, whether it is free trade, foreign overfishing, unemployment insurance, the national railway system or any issue that we can connect to this government over the past seven years or this bill, the issue is the same. They are speaking out of both sides of their mouths at the same time. They are saying one thing and doing the exact opposite.

Yesterday in the late show debate on a fisheries question I had to go to early Roman history to make the point that I wanted to make. I found that there is a term in early Roman history, *janus geminus*. *Geminus* means two or twin. I know no Latin but I understand that *janus* means gate. The term *janus geminus* came into usage because it connoted a gate that looked in two directions, that had two faces. Hence the origin of the term two-facedness, looking in two opposite directions at one time. When they wanted to characterize that notion in a coin of the day, they characterized it in terms of head

with two faces looking in two completely opposite directions.

I went to the library yesterday and dug out the origin of this and some of the description. Yesterday in fun, but making a point hopefully at the same time, I was applying it to my good friend from St. John's West, the Minister of Fisheries and Oceans, who had said in response to a question from me in October that anybody who was at all remotely connected with the fisheries would get help under the program, the fish aid program, and then the next week issued a directive cutting off at the knees everybody in the western and southwestern part of my riding making them ineligible just on the basis of where they live.

I used it strictly as an example of where the government does one thing and says another. The description, just in passing before I get back to the point I want to make here, of *janus geminus* was absolutely delightful because it said three things about *janus geminus*. Two of them can be said about this government and the other one can certainly be said about the gentleman from St. John's West. It said that *janus geminus* is characterized as normally having two faces, but sometimes having four faces and is sometimes depicted with a beard and moustache and sometimes without the moustache. The third certainly applies to the gentleman from St. John's West. The first two make this government a *janus geminus* particularly on this parole issue, on this parole legislation, because it says one thing and does another.

• (1110)

Let me give a clear example of what I am talking about. The few Conservatives over there who have been allowed to speak, the three who have been allowed to speak, their basic thesis is the following: first, this bill like everything else the government has done is the best thing since sliced bread. That is their first point. Their second point is: To wit, we are going to see to it that those dangerous criminals serve half their time. That is a nice objective. Nobody can argue with that except the criminals concerned I suppose.

Mr. Nicholson: You are arguing.

Mr. Simmons: The member for Niagara Falls is misleading the House.

An hon. member: Come on.

Mr. Simmons: We are not arguing that at all. If he were fair he would understand.

An hon. member: You are holding it up.

Mr. Simmons: Mr. Speaker, this nonsense from the member for--

An hon. member: We have not had five hours of debate on this bill yet.

Mr. Simmons: I would not want to interfere with what you are saying. My friend from Kingston and the Islands is making the point extremely well. The member for Niagara Falls over there is lamenting. His charge across the floor out of the camera's range, because he will not stand up in front of the camera, I tell his constituents including his several supporters down there--

An hon. member: There are not many left.

Mr. Simmons: He has blood relatives.

An hon. member: They too are deserting.

Mr. Simmons: The member for Niagara Falls is saying we are holding up this debate. I am sure he would want that on the public record, because that is what he said.

This bill has been in second reading for 24 hours already.

Mr. Nunziata: Less than 24 hours.

Mr. Simmons: I say to my friend from York South--Weston, our critic on this issue, that is the most indecent thing I have ever heard. You have actually held up a bill for nearly a full day?

Mr. Nunziata: We have waited seven years.

Mr. Simmons: Mr. Speaker, how dastardly can the member for York South--Weston be? He has actually been here as the critic for this bill and is allowing this thing to be held up for almost 24 hours. How agonizing. It is almost 24 hours.

We have to take out of that 24 hours a few hours for sleep. We stopped yesterday for an hour for Question Period. There were some Routine Proceedings and there was a late show last night which is another half hour or so. So it has not really been 24 hours.

I suppose in terms of debating time it has been more like three or four hours. We have had three or four hours of this genuine Niagara Falls-style filibustering where the gentleman from York South--Weston has been out

there fighting tooth and nail to hang it on. What is he holding down? He is holding down a bill, not exactly a Simpson's or a Canadian Tire leaflet but a bill yea thick. Let me see how many pages are in it.

Mr. Nunziata: There are 125.

Mr. Simmons: There are 125 pages. We have had three hours of debate on this, three agonizing hours of debate. We have heard from all of three Tories over there. The whole clique over there tells us its concern about protecting the public but it is not about to get up and say anything about its concern.

I use this and I take time to make this point to show how hypocritical, how two-faced that crowd can be whether it is talking protection of the public or gouging the public on taxes or anything else. They are two-faced. *Janus geminus* rides again.

The Acting Speaker (Mr. DeBlois): Is the hon. member for Niagara Falls rising on a point of order?

Mr. Nicholson: No, Mr. Speaker. I thought finally the member had exhausted himself and his comments. I thought it was time for questions and comments.

Mr. Simmons: Mr. Speaker, I have to say something. I am going to say something, Sir, which will probably get me run out of this place. I watched this farce yesterday and I am not going to be a party to it today. That clown from Niagara Falls has not got the guts to make a speech, and when we are making a speech he gets up and you allow him to do so. You knew he had no point of order.

Mr. Nicholson: Shame on you.

[*Translation*]

The Acting Speaker (Mr. DeBlois): As an experienced parliamentarian, the hon. member for Burin--St. George's should know he is getting into dangerous territory here. I would appreciate the hon. member's co-operation in maintaining decorum in this debate, and I am sure I can count on his support and co-operation. The hon. member has the floor.

[*English*]

Mr. Simmons: Mr. Speaker, my experience in this Chamber and the other one tells me that when a member rises on a point of order, if he does not state what his point of order is in the first sentence, he is not permitted to use that point of order to abuse the rules of the House and try and make a cheap shot that he does not have the guts to make in debate.

An hon. member: Sit down.

Mr. Simmons: No, Mr. Speaker. The member for Niagara Falls may have instructions from his clique to sit down, but my people sent me here to stand up.

An hon. member: Rubbish.

Mr. Simmons: If he wants rubbish, I will give him some rubbish. I think we are hitting a few nerves.

An hon. member: A testy bunch across the way.

An hon. member: At 12 per cent in popular support, who would not be?

Mr. Simmons: If they want some rubbish, I will give them some rubbish. I will give them some genuine, unmitigated rubbish.

The Tories say: "We want to keep those dangerous criminals in for at least half their sentence". What dangerous criminals? The ones who are not in for half their sentence. There are none of those, unless they are now saying they have no faith in the parole system and all the cronies they appointed to the parole board. The practice now is that dangerous criminals do not get out until they serve half their sentence. So, it is rubbish, just as he asked me for.

It is rubbish for them to suggest that this bill is going to change anything with respect to how long dangerous criminals are incarcerated. It is not only rubbish, it is a lie. They are deceiving the public. They could not get on bandwagons with free trade and everything else. Now they figure the latest sop to the public is that somehow they are going to protect them more.

God Almighty, the ones they need protection from most is not the guys in the jails but the guys over there. That is who the people of Canada need protection from.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member but I would urge him to be more moderate in his comments. I know I can count on his co-operation, but I think we are really borderline here.

[*English*]

Mr. Simmons: Mr. Speaker, with respect, if you think I have been immoderate, you owe it to me to tell me in what particular. I now repeat what I just said. There are many laws. There is an administration of justice which sees to it that people who ought to be incarcerated are. That is one point I want to make.

Point number two, I said the people this country needs protection from the most are the Tories over there. That clique over there. Now, Sir, you may not believe that, but I want to say that 85 per cent of Canadian people do.

I repeat, Sir, if I have in the last few minutes said something that was immoderate, you owe it to me to tell me in specific terms what I said and then I owe it to you to withdraw what I said if it has been immoderate.

[*Translation*]

The Acting Speaker (Mr. DeBlois): To be perfectly clear, the hon. member used the term lie, and that is why I asked him to apply some moderation.

[*English*]

Mr. Simmons: Mr. Speaker, I realize the term lie was unparliamentary. I withdraw that. I did not realize that you were referring to that particular term at the time. The allegation or the suggestion that this bill is going to change anything in terms of how long the dangerous criminal is incarcerated is just not true. It is an untruth. It is just not true. It is, as my friend said, garbage.

• (1120)

Now these people are incarcerated for at least half their time already but let us see what the bill states. The bill provides that the time of incarceration before parole would be altered, would be increased, but it gives discretion to the judge.

It is not automatic. It is a double deception, Mr. Speaker, to be out there saying that this bill is going to increase the time of incarceration. That is based on what the judge will do or, in most cases, what we would hope he would do.

This whole thing is an absolute scam on the public. It is an absolute scam what the government is pretending to be doing here. Do not let that comment be confused with the reality, with the need to have adequate legislation to protect the public.

In committee we will deal with this. We have already said that because we support the stated objective of the bill, i.e. to see to it that the public is adequately protected and so on, we support the principle of the bill. Of course we do, and of course we will.

But we give notice and my colleague has already done so that there are many changes that we will seek in committee because while the objective is clearly stated, the way they go about it is extremely clumsy and a bit two-faced in a number of places.

I wish I had a little more time. I thank you for your indulgence, sir.

Mr. Nunziata: Point of order, Mr. Speaker. I know that my colleague has not completed his submission and I would seek unanimous consent of the House to allow my colleague to continue speaking.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: No.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I have a couple of questions for the hon. member. Why would he first of all insist on using the sum of $2 million for the crime prevention week reductions when in fact the Solicitor General informed the House, and I am sure the hon. member's own party knows, that in fact the sum in question is $340,000. Why would he continue to insist upon using the sum of $2 million is one of the questions I have.

Why he would object to the fact that the programs started by the Solicitor General within crime prevention week have been so successful that now they are being carried on in the private sector and by non-profit groups? In view of that, why would he insist that the federal government continue to spend money when it is obviously no longer necessary?

I would also like to know this. The hon. member stated earlier that he and his party are not opposing this legislation but later on he said it was garbage. Well the hon. member should make up his mind. If the Liberal Party believes it is garbage, but they are supporting it, maybe he should make that clear. If they are not opposing the bill, then let us get on with it.

The other point the hon. member made on just that point was this: he said it had been debated for 24 hours, with a few hours for sleep.

Let me put it to him that yesterday at six o'clock the parliamentary secretary who sits in front of me put it to the House that we could have extended hours beyond six o'clock. The members of his party said no. I want to know if it is the case that the members of the Liberal Party all fall asleep after six o'clock? That is what he is saying. If he was prepared to debate, they should have debated. We were ready to sit here all night if necessary. You were in the Chair, Mr. Speaker, and you will remember that. It was the hon. member's party members who started bleating and squealing that they could not stay here after six o'clock. Now he says that it is because they want a few hours sleep.

Is it the case that his party goes to sleep after 6 p.m.? I know they were asleep at the switch for 15 years when they ruled this country. I know that one for sure, but I did not know it was just after 6 p.m.

Mr. Simmons: Mr. Speaker, that has to be--

An hon. member: He doesn't have the guts to deliver a speech.

Mr. Simmons: No. That has to be the most delightful intervention that you will ever witness in this Chamber, Mr. Speaker. It demonstrated how wrong I was that the man can stand and put words together. It demonstrates that he is not completely muzzled over there and so I withdraw any inference that I made earlier.

An hon. member: He is smarter than he looks.

Mr. Simmons: It also demonstrates that he was listening to some things I said. Fourth, it demonstrates that he did not understand very much of what I said.

Yes, I used the term garbage. I responded to his invitation to spew some garbage and so I gave a genuine example of garbage. If he misconstrued it, thinking I meant the principle of the bill, he is wrong because I very clearly said two things. I said we support the principle that the public deserves protection and legislation ought to be updated accordingly. I said that very clearly as the last sentence before I sat down. I wanted to be clear that not only I but my colleagues in caucus support the principle of the bill.

What is garbage, and what I said was garbage, I am sure that unless he is being mischievous, he understands. What I said was garbage was the government pretending that this bill would keep the dangerous criminals in any longer than it is keeping them in right now. I demonstrated in the two examples, the one with the present situation where they serve half the time anyway. Just check individual stats and you will find that.

Then I gave a second example, where even under the new bill, it is up to the judiciary to decide whether that inmate will stay any longer. That is what is garbage. But he knows, he knows the distinction I made earlier and he is playing a little mischief. I do not mind that because if you sit here day after day with instructions to sit but not to stand, it must get pretty boring over there. Mr. Speaker, I understand.

He asked me first about the $2 million versus the $360,000. He may not trust the senior public service but I happen to trust the senior public service. Let me read a bit of information.

Solicitor General Department spokesman Claude Rochon said the decision to axe the $2 million in funding was made last February.

The $2 million in funding, which is the figure I used earlier, the member alleges was only $300,000. I would like to make two points. First, I submit that my figure was correct because I just quoted the spokesman in the department from whom I got that figure. Second, whether the figure is $300,000 or $2 million--and I submit the latter--the member has just made an interesting admission, that there has been a cut. He is the first person over on that side who will even admit that they have cut anything.

Finally, this nonsense about this latest crime of Liberals, that they sometimes actually get a few hours sleep a night. Well, my apologies, Mr. Speaker. We have had three hours of debate on this. We have waited seven years. If it is a serious piece of legislation requiring some thought and contemplation, why do we have to stay up all night and pour coffee into ourselves and pull our hair to keep awake so we can ram this thing through? We have waited seven years. The people whom it will affect and help can wait another 24 hours, another day or two.

That is not the issue. The issue is that the member for Niagara Falls is skating very badly, but he is skating. He is trying to cover up the fact that only three members,

including nobody from Alberta I noticed, on that side have even spoken on this bill. If he wants to know how long it is going to be going on, it is going to be going for awhile yet until we hear what their views are on the issue so I can tell his constituent who is calling me what he thinks because she cannot find out from him.

Mr. John Nunziata (York South--Weston): I would like to thank my colleague for his submission. He makes a very important point. The government has been selling this bill. It has been looking for headlines that read: Government gets tough with violent offenders. That is the message the government is trying to get out to the public. My friend has pointed out that it is nothing but a public relations scam, that in effect this bill will not offer any further protection to the public than they already have.

Today inmates under existing legislation become eligible for day parole after serving one-sixth of their term. They become eligible for full parole after serving one-third, but the reality is and the statistics show, as my friend has pointed out, that most violent offenders serve at least half. In any event judges will be given the discretion.

• (1130)

Would he not agree that if the government is truly serious about getting tough with violent offenders that it would eliminate mandatory supervision, which is not parole but is a process whereby violent offenders are released automatically after serving two-thirds of their sentence? Would he also not agree that it should be automatic that judicial discretion should be removed and that a person, by operation of law, should be required to serve say three-quarters of their sentence before becoming eligible for parole?

Mr. Simmons: Mr. Speaker, I thank my colleague from York South--Weston and, of course, both points that he makes he will be making in committee and that is why he is the critic. He has led the caucus and has advised the caucus on what the pitfalls are in this particular bill. We will be supporting him and others who know this file much better than I do. We will be supporting those amendments in committee. I know we can count on men like the gentleman from Niagara Falls to see that his side also supports those amendments.

In the first part of his question, my colleague alluded to the real agenda here. It is unfortunate but it is true. This has so little to do with the protection of the public and of course it should. At that level it is a very serious debate but at the other level it is the cynicism that runs through this whole process, where the Tories cannot speak, ram it through and pretend that somehow we are now going to protect the public.

This bill, like every other initiative of this government, is the latest cynical attempt to do something on the backs of some people. It so happens now it is going to do it on the backs of the public it wants to protect and the people who, for reasons of sick minds or weak moments or whatever happened, are behind prison bars.

In other times the government was riding fishermen, in other times it was riding poor people, in other times it was riding already over-taxed people and today it is riding the public at large and the inmates and that is what this is all about, sad to say.

Mr. John Manley (Ottawa South): Mr. Speaker, I am pleased to have an occasion to talk on this bill but in more general terms on the issue of crime, the prevention of crime in particular, enforcement of sentencing and issues related to response to victims of crime.

I would like to put these in the context of admitting that this is not an area of expertise for me but that I do want to go on the record as expressing my very great concern about the fact that many Canadians, especially in our large cities, are growing increasingly concerned and anxious as they see rates of crime increase, as they see more frequent incidents of violent crime and as they begin to fear for their personal safety in the streets of our cities in Canada.

It is something Canadians have always taken a bit of a smug pleasure in, that our rates of crime and our incidents of violent crime were significantly less than those of our neighbours to the south. As we watch and see these incidents of violent crime increase and as the reporting of them on our nightly news becomes more and more extreme, the level of concern among our citizens is increasingly greatly.

It is very important that governments at all levels emphasize response to this rising trend of crime and assure our public that they can be safe in the streets of Canada.

The first thing that I would like to comment upon is that we need to focus in Canada, first of all, on crime prevention. The response to dealing with issues of sentencing should follow a focus on the necessity of preventing crime before it occurs, dealing with the causes of crime, dealing with educating people to avoid and to prevent crime. All of us I think share the concern about the government's cutting of the funding to the Prevention of Crime Week program. Whether it is $2 million as officials say, or $340,000 that the government has cut from this program, the point remains that prevention of crime is in part based upon education.

To suggest that the program, as the parliamentary secretary just did, is so successful that it has been taken over by other governments and therefore no longer needs to be funded by the federal government in the face of statistics that show the occurrence of crime is increasing in Canada does not make any sense at all. In fact, we need greater education toward the prevention of crime.

We also need to look at some of the other issues related to the occurrence of crime. It strikes me that perhaps the primary issue that we should be dealing with is that of poverty. It is indisputable I believe that the occurrence of poverty on a growing scale in our cities in Canada is directly linked to the occurrence of crime. The more that people despair the easier it is for them to justify taking the law into their own hands.

I think that the government's policies on the economic front that have contributed directly to the increasing disparity between rich and poor in Canada, the increasing frequency of very serious poverty problems in Canada, contributes to the occurrence of crime and needs to be part of the focus of any strategy. We do need a strategy to deal with the rise in crime statistics.

I would also like to say a few words about the bill in respect of how it deals with victims of crime. I think that it is common for many Canadians to express concern about the fact that so much of our system focuses on the perpetrators of crime and so little on the victims of crime.

There is a little element in this bill that attempts to give some additional support to victims of crime by enabling them to attend a parole hearing at the discretion of the parole board. I understand that currently the law permits victims of crime to attend the parole board hearing only where the consent is obtained of the inmate.

While moving that discretion to the parole board is a move in the right direction, I would suggest that victims of crime, particularly victims of violent crime, ought to enjoy the right with no one's discretion at issue to appear before the parole board to make submissions at any time a perpetrator of a crime, an inmate, is up for parole consideration.

On the issue of delaying eligibility for full parole to a half of sentence, this seems to be again a move in the right direction, but one on which you have got to raise questions about whether it really achieves the result that is sought.

In a recent editorial in *The Kingston Whig Standard* by N. Kershaw, she points out that only one-third of federal prisoners are even released on parole. Those who are have on average served 50 per cent of their sentence. In other words, what the change in the law that is proposed is doing is simply recognizing the *status quo* by increasing to what is already the average sentence for those who are paroled to 50 per cent of the sentence.

This raises other broader questions though. I understand that the Law Reform Commission has done some work on these issues. The average Canadian is concerned that sentencing is relatively meaningless when the fact that one-third or one-half of a sentence is served is becoming so common place. The average Canadian thinks that the determination of sentence ought to be very closely linked to the amount of sentence that is actually served. After seven and a half years in power, surely the government is by now capable of dealing with some of these issues, of grappling with them. What we need to be addressing is the issue of whether our current sentencing procedures and time frames are adequate to the reality of dealing with the criminal justice system as it now stands.

• (1140)

One of the things that has always concerned me is the fact that sentencing, because of the discretionary nature of sentencing, often leads to widely divergent results in cases in which the facts are very similar, depending upon what judge happens to have jurisdiction over sentencing in a particular case. If our system of justice is to retain the respect which it deserves and which it should have, surely some consistency in sentencing between judges at

least, between regions, between sets of circumstances, should be the rule rather than the exception.

Part of the proposal that the government has included in this bill is delaying eligibility for full parole to one half of sentence, subject to judicial discretion, in other words, a further broadening of the discretion the judges may exercise in the question of sentencing.

Discretion number one, what level of sentence to require,and discretion number two, whether to impose the one-half of sentence requirement before parole can be granted.

I suggest that adding to the discretion of judges is a questionable policy where there already exists quite a large divergence in experience between sentencing as it occurs by judges in different courts in different communities.

The other point that I would like to raise is the issue of granting passes from prisons. The proposal is that the National Parole Board must approve passes for inmates serving mandatory life sentences or inmates convicted of violent offences, serious drug offences and sex offences against children. In addition, no unescorted passes will be allowed for those classified as maximum security inmates.

I would like to indicate that these changes meet some of the concerns that exist in incidents that have been generally reported in the media. Serious offenders are able to enjoy golf at federal taxpayer expense, they are able to visit local malls on their birthdays, despite the fact that they are serving sentences for having committed serious crimes. The raising of the discretion from the warden to the National Parole Board should be seen as a move in the right direction to addressing concerns that are raised about day passes.

In conclusion, I would like to refer again to the editorial from *The Kingston Whig Standard* in which the executive director of the John Howard Society of Ontario, Graham Stewart, is quoted as saying: "It is very difficult to see how the changes will actually make any difference to the amount of time served". Mr. Stewart goes on to say: "There is not a shred of initiative in these proposals that is going to reduce the risk to the community one iota".

I suppose every community in Canada has faced the problem of crimes resulting from people who have been released on parole, people who are on day passes, and so on. Ottawa is no exception. We have had some very well publicized cases, very tragic cases, along those lines.

When I look at this legislation, what worries me is that it is an attempt by a government that has had many years to come to grips with essential problems in our criminal justice system, to do so in a very *ad hoc* way, without the kind of broad based reform that is essential, so that it can put together one page of its campaign for re-election that says: "Look what we have done to address the issue of crime". I said at the beginning that I am no expert in this area of the law, but I am very concerned about issues of crime and justice because those in a way are the essential issues of any liberal democracy.

The fact that people are afraid to walk on the streets of our major cities ought to be something that preoccupies each member of the House of Commons on a daily basis. It is not acceptable and it should not be the case.

To come forward with a package of *ad hoc* reforms so that the Solicitor General can appear on *The Nation's Business* and talk about what he is doing to address the concerns of crime is just not good enough. I applaud our critic, the member for York South--Weston, for the initiatives he has taken on this bill. I think we are right to support it. Any improvement is worth supporting. It just does not go far enough. It just does not come soon enough and it does not address the need for comprehensive reform that so many Canadians have recognized and are calling for.

Mr. John Nunziata (York South--Weston): Mr. Speaker, I would like to thank my colleague for his very timely submissions. I know that his constituents are as concerned as mine are about crime and safety in the streets.

I know that in the Ottawa area the concern was highlighted during the Celia Ruygrok incident several years ago. An individual by the name of Alan Sweeney was paroled to a half-way house here in the Ottawa area. He had been serving time for a 1975 mutilation murder of a woman. It was later shown that he manipulated the system. He was released to a half-way house where he brutally murdered a young woman by the name of Celia

Ruygrok. I know that the Ruygrok family has participated and has been urging the government to bring in amendments.

I recall the Ruygrok family coming before the justice committee a number of years ago pleading with the committee to do something. In fact, the committee did put together a rather extensive report entitled *Taking Responsibility*. I was part of that committee. We travelled the country and came up with 97 recommendations. This particular report has been sitting on the shelf for the last three years and the government has not taken any action whatsoever. Now that they are at 12 per cent in public opinion, now that they are a desperate government, a desperate political party, they have decided to take some action or introduce some legislation. But it is all smoke and mirrors.

We have not only had the Sweeney case but a number of other high profile cases that have caused the public to be that much more concerned about their security and the security of their families.

In my community in the Toronto area, there was a fellow by the name of Melvin Stanton. He was a three time rapist and was convicted of killing a 14-year old girl. That was his crime. He was sent to a federal penitentiary and then in 1988, he was given a 48-hour unescorted pass, unescorted. "You are free my friend. Go take a drive down Yonge Street. Go into whatever bar you want to go into. We know you are serving a life sentence for murdering a 14-year old girl, but here is an unescorted pass from Kingston Penitentiary". He was booked into a Toronto half-way house. I am surprised, given the circumstances, they did not book him in at the Royal York or the Hilton in downtown Toronto. I do not make light of the situation.

He then proceeded to kill a young woman by the name of Tema Conter. It is the Ruygrok, the Conter, the Fredricks cases and the Gingras cases that my friend referred to, where he was given a pass to go to the West Edmonton Mall to celebrate his birthday, and the George Foster case in British Columbia that caused the public to throw their arms up and say: "What is this government doing? Has it not learned its lessons?"

I would like my friend to comment on the impact that the Ruygrok case had on the Ottawa community. I know it was a national story. In particular, a lot of people in the Ottawa area were especially touched by this particular incident. I know he may have had dealings with the family of that particular victim.

• (1150)

Mr. Manley: Mr. Speaker, I am grateful for those comments because I think they bring into relief exactly the concerns that many of our constituents have. There is a suspicion that this system has somehow crumbled around them and that they are living in peril as a result of it.

The Ruygrok case was very well known in the national capital area. My friend is right. I know the victim's father. I have met with him on numerous occasions. He has in many ways committed much of his time to issues of criminal justice reform, both in areas of parole as well as firearms control. His dedication is very apparent to anyone who meets him.

The Celia Ruygrok case was made that much more tragic by virtue of the fact that the victim was a very highly motivated and dedicated young woman who was a student of criminology. She had undertaken work on behalf of the John Howard Society in the context of a half-way house. She was tragically and uselessly murdered while she was the sole person on duty in the house by this character who should never have been released from prison on parole at all. I think in retrospect it is easy to say he should not have been released.

That does a number of things to a community. First of all, it raises these underlying concerns about whether there is integrity in the system or whether the system has somehow run amok, allowing people who are genuinely and clearly dangerous out and about on the streets in vast numbers. I suspect that is not true but I think the perception is that there are a lot of people out there. It does not take a lot of people. It only takes a few like Sweeney to cause people to have continuing fear and lack of trust in the system.

The other thing that it does is to create a great deal of intolerance on the part of the public as to the real motives behind our justice system. These are only partial deterrents but they include the need to rehabilitate those who have committed crimes including violent crimes. The result of a case like the Celia Ruygrok case

is that people become very intolerant of efforts to rehabilitate. What that imposes on the parole and justice system is an obligation to exercise very great care that the rehabilitation objectives are not undermined by incidents such as that one where gross and violent crimes are committed.

I noticed in the proposal that the government now wants to make the protection of the public the paramount consideration of all decisions relating to treatment and release of inmates. I should have thought that in the case of violent criminals the protection of the public should always be and should always have been the paramount concern.

What we do with people who have committed violent crimes has got to be seen by all members of the public as addressing their fundamental right to safety in public places and in their homes in Canada. We engage in talk in this country day in and day out about rights and privileges and whose rights are being transgressed. After everything, the fundamental right should be the safety of the person in the home and in public areas.

I hope that we can move toward reforms that give Canadians much greater assurance that indeed that priority is being enforced.

Mr. Nunziata: Mr. Speaker, I would like to now ask about the role of victims in the criminal justice system.

My colleague from the Hamilton area will be speaking a little later in the debate and she will be talking about one particular case. I would like to just comment briefly on the Pollington case and the John Rallo case.

A couple approached me about the Pollington case a year ago. Their daughter and their two grandchildren were murdered by their son-in-law. This was about 14 years ago. The person to this day does not admit to the murders. He has not assisted the police or the family to locate the body of the second child. Yet this person was granted day passes into the Hamilton area so there is a chance that this family will come face to face with this individual who was given a life sentence.

This family has been told that they cannot participate as a matter of right at any National Parole Board hearing. This individual is John Rallo. He will be eligible for judicial review next year after serving 15 years of his sentence. This means that even though he was given a life sentence for the murder of his wife and two children he will have the opportunity to have a judge and a jury decide whether his parole eligibility should be reduced to 15 years. The Pollington family has been told that they have no right whatsoever to attend that hearing in order to make submissions.

I would like to ask my friend whether he agrees that families of victims should be given the right to attend National Parole Board hearings--

The Acting Speaker (Mr. DeBlois): The time for questions and comments has now expired.

Mr. Manley: Surely now I can reply.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend the period of questions and comments?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is no unanimous consent.

Before resuming debate, I want to inform the House that the first five hours of the debate have now expired and the time for speeches is a maximum of 10 minutes.

Mr. Manley: Mr. Speaker, I think I must have misunderstood because I cannot believe the Parliamentary Secretary to the Solicitor General would inhibit me from making a brief comment in response. I think he was saying that I had consent. I would just like to clarify that indeed the Parliamentary Secretary to the Solicitor General of Canada does not want me to respond to that question.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but I heard a no. I cannot see the entire House at once. However, when seeking unanimous consent, if the Speaker hears a no, he must conclude there is no unanimous consent. I cannot see the entire House at the same time. I heard a no in the House, and that is why I could not assume there was unanimous consent.

[*English*]

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke): Mr. Speaker, I want to say first of all that the proposed corrections and conditional releases act has taken seven long years for this government to bring forward. It has talked about it. It wants to be on top of the heap, running down the road, waving the flag and trying to make Canadians believe that they are the greatest law-abiding citizens and putting laws into place that are going to be tough for criminals and so on. It has waited seven years to bring this important piece of legislation before the House.

Then the Parliamentary Secretary to the Minister of Justice has the gall to stand up in this House today and berate Liberals for not wanting to debate this bill last night. Surely the Parliamentary Secretary to the Minister of Justice should not believe at this stage in his political career that the loudness of his voice makes up for the lack of rationale in his argument.

An hon. member: Let's get on with it.

Mr. Hopkins: He wants to get on with it because he does not want to hear about his own comments. He did not want to allow my friend for Ottawa South to comment either because the government does not want to hear those answers.

This bill is such weak medicine that none of the law and order abiding MPs on the government side from western Canada and various parts of this country are speaking on it at all. One can only assume that they are thoroughly disgusted with the content of this bill. They are not trying to sell it so they must be fed up with it.

The government wants headlines to prove that they are trying to be tough when in practice their actions make them look like a bunch of pussycats.

• (1200)

There is one thing that I find to be really revolting about this bill. It does zero in a great deal on the parole board operations. For the first time victims of crime will be formally recognized in the federal corrections and parole processes. For example, victims will be kept informed of an offender's prison and parole status if they request. That is natural. There is nothing tough about that. It is just plain common sense that they should be kept informed.

Information from victims can be considered at a parole hearing. It should be mandatory that information from victims be heard at a parole hearing. Where are the rights of the victims? I have sat here and heard this government over many years talk about the rights of the victim. Now it comes forward after seven years with a piece of legislation that can only be compared with an elephant giving birth to a mouse because of its intent and its content.

Another part that I find really revolting about this legislation is that the victims can attend a parole hearing at the discretion of the parole board rather than at the discretion of the victim. Again I ask this government, where is their big argument about the rights of the victim? The victim should automatically be allowed to appear before the parole board. Who is calling the shots? Is it the criminal in prison or the person who has been the victim of crime?

Another point says that judges will be able to lengthen the time that violent offenders andserious drug offenders spend in prison by delaying eligibility for full parole to one-half of the sentence. This provision is called "judicial determination". In other words, it is at the discretion of the judge.

Many other people have made the point that while they could be considered for parole after serving one-third of their sentence, they had usually served one-half of their sentence anyway by the time everything was settled. So there is no change here in practice. The government is simply putting into law something that has already existed in practice for a long time. Then it calls that progress.

They should be automatically made to serve one-half of their sentence and it should not be left to the discretion of the judge. If one is going to be tough, then put the law into practice. Sometimes they serve that half of their sentence before the hearing even comes before the parole board.

Under existing law violent offenders who are considered at high risk to commit new violent crimes if released may be kept in prison for their entire sentence. Serious drug offences and sex offences against children will be

added to this category. That is common sense. Why would we not do that? There is no great revolutionary concept in that at all. It is something like Bill C–30 which we debated in this House a while back and will be again. It is still before the House. In that bill people who were declared innocent because of insanity were categorized into those who were safe to be let out on to the streets and those who were not.

This legislation was brought in because the Supreme Court of Canada told the Government of Canada that it only had six months to bring it in because of the charter conditions.

The government did not have it done in six months. It has now asked for an extension of time and has been granted it. This is another case where this government talks a lot about its actions and yet is dragging its feet.

It has taken seven years to bring Bill C–36 forward. It took more than the six months allowed to it by the Supreme Court to bring in Bill C–30.

Correctional resources in this bill will now be focused on violent criminals by streamlining the parole process for first–time offenders convicted of non–violent crimes. If these inmates are considered unlikely to commit a crime they will be eligible for release at one–third of the sentence. That is the existing practice. There is no change there.

What is the big deal? These offenders will remain under supervision in the community until their sentence is complete. This provision is called the accelerated review.

On the business of cutting funding for crime prevention week this is the week for crime prevention. It is an attempt. It is also a privilege or a chance for the law enforcement agencies of the country to relate to the public at large and to carry on a conversation and communication with communities right across the country to talk about crime solving and to make people aware of the types of crimes that are going on.

It is to make them aware of what is being attempted to prevent crime in the streets, to get the public behind the law enforcement agencies of this country, to tackle the problems of the street warfare that is going on and the fact that our streets are becoming unsafe for people to walk around at night.

The government has cut the funding for this crime prevention week program. That is the kind of backing it is giving to the law enforcement agencies of this country. It is saying that this is no longer necessary. Its excuse is that other levels of government have taken a greater interest in it.

We are in the Parliament of Canada here. It is the duty, the responsibility and the necessity for the federal Government of Canada to be the leader in solving crimes in the nation, to make our streets safe in the nation. It is the federal government that must deal with the international relationships around the world that are causing problems with crime in Canada through drug trade and so on.

The Government of Canada is neglecting to give the law enforcement agencies of this country the chance to relate to the general public and get their support behind them to try to enforce the laws that are already on the books to make the streets safe for Canadians.

We do not want to have our streets Americanized. We have seen enough of that. We want this nation to remain safe for people and it is only going to do that if the government shows its muscle. It has to show that it is going to enforce the law and it is going to support its law enforcement agencies across the country, particularly when they are dealing with the international community.

The Acting Speaker (Mr. DeBlois): There is a five–minute question and comment period.

Mr. Ian Waddell (Port Moody––Coquitlam): Mr. Speaker, I would like to ask the member who last spoke a question. He accused the government of being a pussycat in this. He said: "The actions sure make the government look like pussycats".

The Acting Speaker (Mr. DeBlois): There is no question or comment now. That was only for a maximum of ten minutes.

[*Translation*]

Mr. Kaplan: On a point of order, Mr. Speaker, I wish to speak on a point of order. Perhaps we could have unanimous consent for some questions on the interesting point raised earlier by my colleague.

The Acting Speaker (Mr. DeBlois): The hon. member asks if there is unanimous consent for a period of questions and comments.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is no unanimous consent.

• (1210)

[*English*]

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I am very pleased to make some comments on this bill. This is a very important piece of legislation for Canadians and I think it is one that most Canadians, certainly the people I represent, will be very interested in. It changes the eligibility for day parole. A person was eligible for day parole after one-sixth of the sentence had been served. That has been changed to six months prior to the eligibility for full parole. One of its important provisions for violent offenders is moving the parole date from one-third to one-half.

All these are good measures. The reason that government members have not been on their feet today is that they want this bill to progress and go to committee. Obviously there are those who have some problems with that for their own reasons.

Last night as you know it was impossible to get the members of the Liberal Party for whatever reasons to sit beyond six o'clock. I am now going to give them the opportunity to sit through lunch as well.

I move:

That the House continue to sit through the lunch hour for the purpose of continuing consideration of Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator.

The Acting Speaker (Mr. DeBlois): Does the hon. member have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I heard clearly there was no unanimous consent.

[*English*]

Mr. Kaplan: Mr. Speaker, I do not know if the parliamentary secretary was intending to continue his speech. We are down to 10-minute turns and I am very glad to have even a brief opportunity to speak on the bill.

I would like to pick up where my colleague left off but I want also to reinforce the general theme from our side. There is enough critical analysis of it to back us up as members of the opposition on this. This is nothing more than a public relations gesture coming seven years after a government promise to get tough on crime with a measure which will give them a point for campaign literature--

The Acting Speaker (Mr. DeBlois): Order, please. I apologize for interrupting the hon. member but I made a mistake just a minute ago. The hon. member does not need unanimous consent to table his motion. I have no choice but to put the question before the House.

The hon. parliamentary secretary moved:

That the House continue to sit through the lunch hour for the purpose of continuing consideration of Bill C-36, an act respecting corrections and the conditional release and detention of offenders and to establish the office of Correctional Investigator.

Fewer than 15 members having risen, pursuant to Standing Order 26(2) the motion is adopted.

Motion agreed to.

Mr. Waddell: Point of order, Mr. Speaker. I rise to get clarification of House business.

We are ready to proceed with gun control. All parties are supporting this bill. I am not quite sure what we are doing in this House. Perhaps the Liberal critic or the Whip could give us some idea as to how--

[*Translation*]

The Acting Speaker (Mr. DeBlois): It is not up to the Chair to determine the business of the House. Since this morning, we have been considering Bill C-36, and the Chair has no authority to end the debate.

The House has just adopted a motion to continue sitting during lunch time.

[*English*]

Mr. Nunziata: Point of order, Mr. Speaker. The NDP critic has made a comment and I would appreciate the opportunity to respond.

The NDP and the Conservatives have chosen not to participate in this debate--

Some hon. members: Oh, oh.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. I would appreciate the co-operation of both sides of the House. I think the situation is quite clear and that we are still on Bill C-36.

Mrs. Venne: Mr. Speaker, when you asked members opposed to the motion to rise, I asked my colleague here who belongs to the New Democratic Party whether it was about objecting to sitting during lunch time. My colleague said no, so I did not rise. I am sorry but I wanted to vote, and I wanted--

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member but I took the trouble to read the motion very slowly, so that all members of this House would understand what the motion was about.

I understand the hon. member's position, but the House has spoken, and I cannot reverse a decision made by the House.

Mr. Kaplan: Mr. Speaker, before I take the floor, I would like to know whether all this arguing will be deducted from my speaking time.

The Acting Speaker (Mr. DeBlois): I can assure the hon. member that he will have his full 10 minutes.

Hon. Bob Kaplan (York Centre): Mr. Speaker, in that case I would like to say that for the opposition it is not a matter of objecting to a bill like this one which provides so little. We want to take this opportunity to make it clear to Canadians that for a government that for seven years has been promising Canadians it would tighten up the judicial system, it has actually done very little.

In fact, many comments from non-partisan sources imply that nothing will change and that no major changes will be made as a result of the bill before the House.

[*English*]

We cannot support the bill without making it clear to the Government of Canada how much we object to their failure to deal with serious problems within the criminal justice system of our country.

When I was Solicitor General I had the honour to propose and sponsor the first crime prevention week in Canada. I watched the program grow during our administration to make a very worth-while contribution to reducing the amount of crime in Canadian society.

I was also the first Solicitor General to devote funds to support victims. I called for the first victims' conference which took place--I still remember all of it very well--in the Park Plaza Hotel in the city of Toronto in 1980.

From that event a tremendous amount of understanding developed of the plight of the victim in the criminal justice system. This bill makes a very small addition to the measures we previously had to bring victims to a sense of justice in the development of the criminal justice system. I am not going to focus on the shortcomings and the smoke and mirrors that are contained in this bill. I have something much more important to say about what it is that the government is trying to do with this bill.

• (1220)

It is trying to make this small package of very little look like a method of fighting crime and reducing the amount of crime in Canadian society. While this bill may reduce some victimization that would otherwise take place without this bill, of all of those who are accused of crimes in Canada less than 2 per cent end up in federal penitentiaries. When they are released the great majority of that 2 per cent do not reoffend, whether they are on parole or not.

If the government wants Canadians to think that this is a measure that is going to do something about crime, I want people to realize that this bill does very little. This government has done very little in areas where we can

make great strides in reducing the amount of crime in Canadian society. In fact it has moved in a retrograde direction.

I want to talk about crime prevention week not only because I was its sponsor. It focuses on an area and on a series of techniques and programs which really do reduce the amount of victimization in Canadian society in a very measurable and remarkable way that does not always involve police action. In fact I want to talk about crime prevention measures which may not even have occurred to this Solicitor General or to his parliamentary secretary. They are measures that really do address the aberration in society which leads to crime. The government's focus is on that very small percentage of 2 per cent of those who run afoul of the criminal justice system.

Crime prevention week focused on such programs as neighbourhood watch which keeps track of households when families are away from them. It focused on many other programs and drew on volunteer participation. It is now going to be abandoned by this federal government because it says other levels of government can take it over now.

I want to make the point that this is just another example of our national government, the Mulroney government, abandoning an area of authority and responsibility that Canadians want to be very involved in.

When you ask Canadians what is special about Canada, they talk about some of our social programs, our safety net and so on but they also talk about the relatively low level of crime that we have known historically compared to other countries. That is changing and this bill is not going to reverse the trend, I can tell you that.

I think Canadians are proud of the low levels of crime in this country and they want their federal government to be identified with that. It is a national value in this country that we have historically kept crime at low levels. To hear the federal government say: "The provinces are happy to take this program over. We have no business doing it", is just one of the reasons why this country is in jeopardy. It is because we are not reinforcing our national strengths. We are not seeing the national resources used to preserve and strengthen the things that the Canadian people believe in.

The most successful crime prevention program in the history of the world--I would love to be able to say it is one that I introduced but it was not-- is day care. I want members of the House to realize what an enormous opportunity was lost when this government broke its promise to deliver a day care program in this country based on need. The reason I can make such a dramatic statement about the impact that day care has on crime is because in the United States of America during President Johnson's administration, which in many ways does not get the recognition that it deserves, one of the so-called great society programs was Head Start. This program was begun in the early 1960s and it lasted for seven or eight years. It was offered in almost every population centre in the United States. Thousands and thousands of young people, many of them living in substandard living conditions, were brought into programs where they were given the opportunity to develop.

What is interesting about this program and why I mention it now is that the oldest of these young people are 35 and 36 years old. Important longitudinal studies have been made of these people who went through the program, tens of thousands of them all around the United States, comparing them to people who lived in similar circumstances but did not have the benefit of the Head Start program. There are enormous differences between Head Start young people and those deprived of that program in the amount of criminal activity in which they engage and the amount of all forms of deviant behaviour they contribute to: alcoholism, chronic joblessness, drug addiction, and more relevant to today, crime. The differences between that group of young Americans and the others is so categorically demonstrated that it is time for the government to recognize that crime prevention and fighting crime through crime prevention is infinitely more significant and also considerably less expensive than the kind of measures that are being proposed today.

This bill is barely worth having. It is being presented to the Canadian people as a way of dealing with crime but experts doubt it will make much of a difference. The program on which the government promised action and on which it broke its promises is a program which would really have worked to reduce the amount of crime in Canadian society.

Mr. Thacker: A point of order, Mr. Speaker.

I think my friend opposite who served the country as the Solicitor General and served well would perhaps want to correct the record. He said that the government backed down on its promise of day care but, as I recall, there was a bill and it was defeated in the Senate by the Liberal majority.

The Acting Speaker (Mr. DeBlois): There is no question or comment now in the debate.

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I feel compelled to speak about this issue today. I am not a lawyer and I am not an expert on the Criminal Code but I spent the summer canvassing in my riding of Hamilton Mountain. In at least every second house that I approached the mothers and fathers were concerned about the safety of their children. The husbands were concerned about the safety of their wives. They are all afraid to go anywhere now. They are afraid to walk out on the street in the daytime, let alone at night.

My concern and that of people right across Canada, particularly in the Hamilton-Burlington area, was highlighted by the murder a few months ago of Nina DeVilliers. Nina's senseless murder shocked the community. Her parents, Priscilla and Rocco DeVilliers, were very surprised by the overwhelming support they received after the death of their daughter. It was from right across the country. It was from every walk of life. It was from people whose own children, husband or wife were murdered in the last few months. Mrs. DeVilliers felt that she wanted to do something that would focus on the feelings of the people who had written to her. She did not want to just leave it at that so she approached me about writing up a petition for her. I worked with the DeVilliers' criminal lawyer and the clerk of petitions to write up a petition which has now gone right across the country.

• (1230)

I would like to read this petition to the House for the members who have not seen it, although it has gone to all the offices of every member twice. Many of you are being asked to have this petition in your constituency offices and to allow people to have copies to take out and get signed. Many of you have co-operated. I can assure you that the people who are getting back to me and Mrs. DeVilliers are very pleased when a member makes this petition available.

I will read the petition now:

We the undersigned residents of Canada in support of the parents of Nina DeVilliers draw the attention of the House to the following:

That the murder of Nina DeVilliers on the 9th August 1991, has exposed serious deficiencies in the criminal justice system. There are many vulnerable persons who have little protection under the current system. Women, children and disabled persons are at particular risk;

That crimes of violence against a person are intolerable and constitute the most abhorrent crimes society faces;

That current criminal law does not require bail hearings in crimes of violence to be presided over by judges;

That current criminal law may require only a simple signature on a document with no money actually posted as surety for the release of accused perpetrators of crimes of violence;

That current criminal law does not hold agents of the Crown directly accountable to the public for their actions or admissions in permitting known offenders and accused with violent backgrounds to be free or in failing to seek orders prohibiting possession of weapons;

That sentencing in crimes of violence does not appropriately reflect society's abhorrence to violence in order to act as a true deterrent and to protect the public by removal of the offender from society;

That the risk to society posed by the early release of a violent offender appears to be of secondary consideration to the rights of the individual criminal;

That the statutes governing the criminal justice system in Canada must be revised to reflect society's attitudes.

Therefore petitioners request that Parliament recognize that crimes of violence against the person are serious and abhorrent to society and they request the government to amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

There are thousands of these petitions out across Canada, there are thousands that have come back to my office and there are hundreds of thousands of signatures on these petitions.

They are not from lawyers, they are from people in society. There is a lady from Dundas, Ontario who has collected over 5,000 signatures. They are from universities and church groups. There are people right across Canada who want to sign this petition to show their concern to this government. They are very, very concerned about the weakness of our criminal code.

It is really too bad that this government took seven years to bring in the changes they are presenting to the Parole Act. Of course these changes do not go far

enough. We need comprehensive reform of the Criminal Code including the Bail Act.

Canadians understand that it is their fundamental right to safety of the individual. I hope this government will make as many changes as are necessary to give us back our safety.

Mr. Cooper: Mr. Speaker, on a point of order. I am sorry to interrupt the hon. member. I will not take very long.

I am not sure but I suspect there is the possibility that the debate on this bill will complete before two o'clock. Even though we have an order to extend hours on this bill, I am wondering if members on all sides of the House might not agree after the completion of this debate and the demanding of the vote, that Bill C-17 be called solely for the purpose of hearing the Speaker's ruling on the amendments and the grouping of the amendments to that particular bill.

The Acting Speaker (Mr. DeBlois): The House has heard the suggestion of the parliamentary secretary.

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

Some hon. members: No.

Mr. Dan Heap (Trinity--Spadina): Mr. Speaker, I have a few words to say on Bill C-36. It is on people's minds now because there has been an increase in crime including violent crime in places like Toronto.

This bill is not dealing with the whole question of crime though there is an argument that we should be doing that. However that is not actually the subject of the bill. The bill deals with violent criminal offenders.

This legislation would increase the length of time or the length of a sentence that such an offender would be required to spend in prison. It would increase the length of time from one-third of his sentence to one-half of his sentence. It would also add to the list of violent offenders certain new categories such as those who sexually molest children, arsonists and dangerous drug offenders. That means those who are serious ringleaders or kingpins in the drug industry.

The legislation would also improve the flow of information from the sentencing judge to the parole board so that the parole board would be aware of the facts about the history of the offender whose sentence they are considering.

As has been pointed out I think that all sides of the House are in favour of this bill.

An hon. member: In principle.

Mr. Heap: The hon. member has said "in principle" and that means of course exactly what we are voting on at second reading, approval in principle. When it goes to committee then of course there will be discussion of details with the possibility of amendments.

This is not the time to talk about possible amendments. However I am concerned with the context of this bill, partly in the sense that has been mentioned by some previous speakers that this bill was a long time coming. But my main concern is that it could be taken, although it is not necessarily so intended, to suggest that more police, more convictions, more jails and more time in jail are the solutions to crime.

The increase in crime is not entirely an accident or a coincidence in our time. The increase in crime happens to come at a time of unemployment in the city of Toronto for example such as we have not had for decades. I am not just talking about high unemployment, but long-term unemployment. I have talked to people who have been hunting for jobs for two years. I do not mean sitting at home waiting for a job to come. I mean out there knocking on doors or telephoning in response to advertisements for two years.

That can do some damage to a person's spirit. I am not suggesting and nobody in this House is suggesting that it justifies the commission of a crime, whether it is a violent one or a non-violent one. What I am saying is that when we are concerned about an increase in crime we should examine the kind of things that contribute to the breakdown of a human spirit to the point where a person may--not everybody does--be more likely to commit a crime including possibly a violent crime.

For that reason I want to remind the government and the listening public including my city of Toronto that there are other things that are needed in order to address the apparent rising rate of crime. One is closely related to this although it is not part of the subject matter of the bill. It is the fact that by passing this law we

can ensure that certain prisoners will stay in prison longer than they did before. But they will come out, they will come out. We might give ourselves a bit of a breathing space before they come out. If we do not do anything useful with that breathing space it is not likely they will be any less dangerous when they do come out. If they are too dangerous to let out now and they stay in prison for months or years longer, we have no guarantee that they will be less dangerous. It is at least equally possible they might be more dangerous when they come out because prison is often called a school of crime, in whatever sense that may be meant.

• (1240)

Unless the time in prison is used for rehabilitation then it is likely that all we are doing is postponing the danger to the public that we would like to prevent or to reduce. That requires staff work.

I have read from time to time in the papers about some repeat violent offender who had received no kind of treatment for the nature of his previous offence while he was in prison. I am speaking mainly of men. He had received no treatment. There was not enough appropriate staff. There were no facilities and so on.

This could be regarded as a stopgap or a band-aid only. It will not serve the intended purpose unless in addition the government through the correction system provides a much more serious and solid rehabilitation program for offenders than we now have. This especially includes violent offenders.

But there are other matters also and this has been warned of long ago. When I was on Toronto city council and metro council during the 1970s people were warning then that the lack of adequate public support for child care would result in violence in a decade or so. The children were being sometimes poorly cared for because of their parents' poverty or because of in one-parent families, one parent, or in two-parent families, both parents, had to work away from the house for long hours. Latchkey children were being neglected. Children had a key to the apartment hung around their necks and were on their own when they went back home for lunch and when they came home after school.

People were warning about this. Metro council social services committee and the appropriate bodies of city council addressed their warnings to the senior levels of government that neglecting children then would ensure that some of those would grow up to be criminals, even violent criminals, later on. That has to be given attention.

There is furthermore a rehabilitation of people who are addicted to drugs. I have had people come to my office begging for assistance for an adult son, for instance. He was a drug addict and according to medical information needed treatment in a residential treatment centre in Canada. But there were not enough beds in the centre. I have met a few of those but I know there are many more instances where a person wants treatment, needs residential treatment but cannot get it. He thereby continues to be addicted to some of these harmful drugs and becomes a dangerous offender or at least part of the pattern in which the dangerous offenders are created.

This government must give more attention to the cost of child care which is cheaper than the cost of criminal care and to the cost of drug rehabilitation before addicted people enter into the stream of violent crime.

Without attention to those programs, rehabilitation of the criminals, care of the children and rehabilitation of addicted persons, this bill we are approving today will be a deception and a trap. It will not prevent violence. It will only postpone it and quite possibly increase it.

[*Translation*]

Mr. Jean-Robert Gauthier (Ottawa--Vanier): Mr. Speaker, I wish to say a few words on Bill C-36, which is intended, in principle anyway, to restore public confidence in Canada's prison and parole system.

If one reads the bill carefully, the guiding principle of the new provisions is to protect the public first and foremost; that is the most important consideration in all matters relating to the release of offenders on parole. That is the purpose.

As a parliamentarian I must tell you that I am sorry the government waited seven years to present a bill like this one. I receive many calls and letters from my constituents on this subject. Not only have they lost confidence in the system, but they are quite reluctant to support the measures which the government is proposing in this bill.

Protecting the public is so important and the public has so many reasons to be concerned in our big cities and elsewhere that strong measures against criminals are justified. We are not mistaken; the facts are there. An article in Montreal's *La Presse*, I think last May, reported that violent crimes, murders, kidnappings, sexual and other assaults had increased steadily since 1977. They followed the general trend, increasing from 248,580 to 269,118 or 6.8 per cent. They now affect one person in a hundred, the highest rate in our history. It goes on to say that this type of crime now accounts for 10 per cent of all infractions committed throughout the country. The article tells us that the rising level of violence has now reached crisis proportions.

Strict measures must be put in place. I am absolutely convinced that unless we implement known measures which are strictly enforced by the judges and our correctional system, the problem will not be solved.

[*English*]

I had occasion to speak recently to somebody from the Ottawa police force because I was concerned about the violence in my riding.

Again last night we had a rape at an OC Transpo public place. It was a violent rape. The individual in question apparently was raped and then beaten.

This occurs pretty well every week now. People in my riding are responding. I want to read a few extracts from letters. I do not want to name the person because it is a confidence: "Why should the public have any confidence in a justice system when the rights of the convicted rapist takes precedence over the right of society to feel secure. Victims live in terror because of threats that they receive". Further on it says that while on parole many of these criminals repeat the same acts and again are let go too soon.

In the proposed legislation I must admit there are some good measures. There are also some things which we would like to see tightened up. I want to address the question of the hearing before the parole board for a criminal who wants to apply for his conditional release on parole.

At the present time, if I understand the system, a criminal is allowed after serving one-third of his sentence to apply for a parole hearing. Under the proposed legislation before us a judicial determination can be made to extend that to half of the sentence. It would be up to a judge to say: "Yes, by our system, one is entitled to a parole hearing after one-third but in this case I determine that half the sentence must be served before this can be invoked". It would be up to a judge.

• (1250)

I am one of those who believe it should be automatic. There should be no release before one-half of the sentence. I am of the belief also that the victims of crime have rights and should be represented before that judge or before that parole board at the victim's discretion. It should not be at the discretion of a parole board. I asked the police force in the city of Ottawa today what they thought about that. They even went so far as to say: "If the victim does not want to appear then he or she could have representation on his or her behalf before this hearing as a right so that they would be kept informed of what is happening in this criminal case".

I would hope the government would seek to amend the legislation and put the automatic requirements in the bill. Having said that, I would like to repeat what I said at the beginning. We are indeed very preoccupied with the present system. It is failing many of us. It is failing our daughters and our sons. It is failing our elderly citizens. It is creating fear in the system. I can give untold examples in my own riding of Ottawa—Vanier of people living in fear today because of a violent experience they had and because they do not have the information that they would like to have or they should have in regard to the justice system reserved for those who are found guilty of criminal acts.

I would hope that the government would tighten up this bill and put in it the rights of the victims just as seriously and with just as much care as they have at this time considered the rights of the criminals.

Mr. Sergio Marchi (York West): Mr. Speaker, I take the opportunity to join my colleagues in debating at second reading the parole legislation which is before us. I do this, as other members have done, because not only is the issue of crime a serious one in Canadian society, generally speaking, but it is an issue that unfortunately is on the climb. It is on the climb in terms of the illegal

series of violent crimes in our communities. It is also up in terms of the conscience of a community.

I have public meetings at least once a month in my community. I have participated in the various municipal election campaigns that are currently under way in Ontario. As you speak to people in these public forums and at their homes, the issue of so-called law and order and the issue of coming to grips with the crime element in our communities is very pervasive.

I would categorize the complaints and the frustrations coming from our citizens in the community of York West into three areas: first, the element of criminal activity is up particularly in terms of the illicit drug trade in our community. Second, there is a feeling of frustration that many judicial decisions coming from our benches are too lax. With all due respect to our criminal system, they are too lax in terms of facing the real problem. The third item concerns the illicit drug trade. The profits or proceeds from a number of those drug busts that come from the local police authorities and local organizations that are engaged on the front lines should go back to general revenues at the federal government level which are very distant from the front line battles. This should be used to try to come to grips with fighting the illegal drug trade in our communities.

There is a great deal of frustration with those three points, particularly the last point. In concert with our Solicitor General critic who has started a national petition across the country, I have tried to distribute this petition far and wide to come to grips with the situation of drug profits. When we do make one of those busts those profits should be shared with our local police forces and our local organizations which are responsible for trying to win this battle. If crime is a serious problem then it cries out for serious solutions. We cannot have a serious problem and then simply pick a week where, as a public relations exercise, we try to somehow convince the public that the government is doing something about it when in fact it clearly is not.

We have waited for this particular legislation for seven years. The government has had ample opportunity to come to grips with the particular problems plaguing the parole system of Canada. Yet not only has it taken seven years but this is the third time it has announced that it is going to do something about it.

The last time was on the eve of the 1988 federal election campaign. I would submit with all due respect it is that type of a charade that is bleeding public credibility for this government and for politicians and institutions across this land.

If it is a serious problem then let us come to grips with it in this Chamber, this government and across the country and do something about it. We have waited seven years and the promise has been reworked three times in order to maximize it in terms of political credibility. I believe that Canadians are not that gullible.

This is crime prevention week and for the first time since 1983 the government has walked away from participating financially in sustaining the awareness level of crime in our country during this one week. If there was ever a time for a national government to participate in trying to promote awareness, this was the year. Yet the government walked away from it.

You have to ask if the government is serious about coming to grips with this problem. Is it simply satisfied to fill up a number of hours on a Tuesday, followed up by another number of bills, wash its hands and then move on to the next agenda item?

I would suggest that the government must do what it says it is going to do not only now but in the future and not inflate the rhetoric.

In the few minutes accorded to me I would like to draw on some of the highlights of the actual piece of legislation. The government says that this legislation will actually serve to protect the public in terms of it being paramount.

Right off the bat I would have assumed along with my other colleagues on this side that public safety would be issue number one in the current legislation. We do not have to get new legislation to suggest that public safety all of a sudden is going to be priority number one. That begs the question: Where has public safety been up until now, after seven years of this government's rule? That speaks to the very malaise and the very frustration people in our communities feel. Somehow public safety and the safety of our communities is far down the list.

Therefore off the top of this government's list, the paramountcy of public safety ought to be issue number one in our current operations without even discussing the new Bill C-36.

The second aspect is that it is, for the first time, trying to formally recognize the victims of crime. The government is suggesting that the victims of crime would be allowed to attend a parole hearing at the discretion of the parole board rather than at the discretion of the offender. Obviously at the discretion of the offender is a non-starter. We are saying, why not go all the way? If you are interested in public safety, if you are interested in recognizing that somehow the victims of crime must also be thought about, then why not make that opportunity automatic? Why not leave it to the victims of crime to decide for themselves and for their families whether they wish to choose to exercise the right of appearing at that hearing in order to make a salient point about the offender. Rather than placing the onus of choice on the parole officer, we are suggesting victims of crime be given the automatic right to defend and promote their own concerns first hand at the parole hearings or at least to designate someone to do it on their behalf.

• (1300)

That is another measure that is seen by our side as a half measure. We are going to promote in committee that we go all the way and recognize those victims of crime who unfortunately are all too often the forgotten variable in this ugly equation called crime.

Another aspect of a half measure is that the government purports to introduce judicial determination. This will give judges the opportunity to lengthen the time spent in prison to at least half rather than one-third the term for violent offenders and serious drug offenders. If the Government of Canada really wants a crackdown, then let us make that automatic. Let us not have that as a potential possibility for judges because there will be different judges in different parts of the country taking different views. I believe we ought to have some national standards about the wave of crime across this country.

We are suggesting that those offenders be automatically made to serve at least half of their sentence, otherwise it becomes a mockery.

The last point is the suggestion that first-time offenders, largely white collar criminals, be given a provision called accelerated review. This would accelerate their parole as compared to the more violent criminals in our society. We will have to think carefully about that. While there may be different variations of crime we also have to be careful about the standards that we are suggesting.

Are we suggesting that we have a double standard? There would be one for blue collar crime, perhaps out in our communities. There would be another for white collar crime that may take place in some office tower. It may in fact be the lynch pins and controlling individuals who support this kind of activity.

I am suggesting that yes, we have a problem with overcrowding in our jails. What price are we going to pay in order to solve that, by suggesting that white collar crime is less important than blue collar crime? I am suggesting that we should standardize that. For those who are supporting white collar crime, they must bear the price of society as well.

I notice that you are indicating that my time is up. I look forward to speaking on this bill once again in committee stage and at third reading.

Mr. Nicholson: Mr. Speaker, I would seek unanimous consent of the House to move the following motion:

> That Bill C-36 be referred not to a legislative committee but to the Standing Committee on Justice and Solicitor General.

I would seek unanimous consent at the conclusion of the debate that that be done.

Mr. Nunziata: Mr. Speaker, the Liberal speakers' list is now complete. We have put up 14 speakers and we are satisfied that we have thoroughly debated Bill C-36. We are prepared to give our consent to the matter being referred to the justice committee as opposed to a legislative committee.

Mr. Blackburn (Brant): Mr. Speaker, we agree to it as well. It was the original understanding that it would go to the justice and solicitor general committee. I think it was an error yesterday that it was not at that point mentioned in the debate.

The Acting Speaker (Mr. DeBlois): On the same point of order, the hon. member.

Mr. Cooper: No, Mr. Speaker, it is a further one. Perhaps I should ask that you put that question because I think there is consent, and then I have a point of order.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

Mr. Cooper: Mr. Speaker, there have beendiscussions and I think that you will find:

> That immediately following the request for the votes on this particular bill the House is be prepared to revert solely for the purpose of hearing the Speaker's ruling as it relates to the amendments at report stage of Bill C-17.

The Acting Speaker (Mr. DeBlois): The members have heard the terms of the motion. Is there unanimous consent?

Some hon. members: Agreed.

Motion agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The hon. parliamentary secretary asks for consent to hear the Speaker's decision on Bill C-17 after disposing of the question on Bill C-36, if I understood correctly. So there is unanimous consent.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and the Solicitor General.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I think there is no hesitation. When I asked whether any hon. members were opposed to the motion, I heard no nays. The motion is therefore adopted automatically.

* * *

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, as reported (with amendments) from Legislative Committee H.

The Acting Speaker (Mr. DeBlois): I simply ask hon. members to be patient for a few minutes. The Speaker is on his way to give his ruling on the procedure and process to follow in the debate on Bill C-17.

[*English*]

SPEAKER'S RULING--MOTIONS IN AMENDMENT

Mr. Speaker: This is a ruling that I am required to give with respect to the amendments that have been filed on Bill C-17, an act to amend the Criminal Code and the customs tariff in consequence thereof.

There are 80 motions set down on the Notice Paper for the report stage of Bill C-17, an act to amend the Criminal Code and customs tariff in consequence thereof.

• (1310)

I should say before I get into the substance of this that great efforts have been made by the table to speak with all the various members who have filed amendments and to try to explain in general terms, and I hope in terms that have been acceptable to the members, why some amendments could be accepted and some could not.

I want it made very clear that the grounds for accepting or refusing an amendment are procedural. They are not substantive and I would hope that no member, no matter what amendment he or she put in, felt that it was rejected for other than the reason that procedurally they did not stand up to our procedural rules.

I shall proceed.

Motion No. 1, standing in the name of the hon. member for Haldimand--Norfolk, will be debated and voted on separately. Motion No. 2, standing in the name of the hon. Minister of Justice, Motions Nos. 29A, 36B and 47A, standing in the name of the hon. member for Renfrew--Nipissing--Pembroke, Motions Nos. 30 and 35, standing in the name of the hon. member for St. Hubert and Motion No. 31, standing in the name of the hon. member for Port Moody--Coquitlam, all deal with firearms acquisition certificates.

These motions will be grouped for debate and voted on as follows: Motion No. 2 will be voted on separately. The question on Motion No. 30 will be applied to Motion No. 35. An affirmative vote on Motion No. 30 obviates the necessity of putting the question on Motions Nos. 29A, 36B and 47A.

A negative vote on Motion No. 30 necessitates the question being put on Motion No. 29A which will apply to Motions Nos. 36B and 47A. Motion No. 31 will be voted on separately.

[*Translation*]

Motions Nos. 3, 8, 22, 28, 29, 33, 34, 37, 52 and 61, all standing in the name of the Minister of Justice, are technical in nature and seek to amend the French version of certain parts of the bill to ensure that both versions have the same meaning. The Chair proposes to group these motions for debate, but they will be voted on separately.

[*English*]

Motions Nos. 4, 11, 17, 54, 55, 57 and 62 standing in the name of the hon. member for Kenora--Rainy River and Motions Nos. 53 and 58, standing in the name of the hon. Minister of Justice, all deal with large capacity cartridge magazines.

They will be grouped for debate and voted on as follows: A vote on Motion No. 4 will apply to Motions Nos. 11, 17, 54, 55, 57 and 62. An affirmative vote on Motion No. 4 will obviate the necessity of the question being put on Motions Nos. 53 and 58. A negative vote on Motion No. 4 will necessitate the questions being put on those motions.

Motion No. 5, standing in the name of the hon. member for Port Moody--Coquitlam was moved, debated and negatived in legislative committee. Therefore, under the authority of Standing Order 76(5), I will not select Motion No. 5 for debate.

[*Translation*]

Motion No. 6, standing in the name of the hon. member for Saint-Hubert, and Motion No. 7, standing in the name of the hon. member for Port Moody--Coquitlam, will be grouped for debate and voted on as follows:

a) An affirmative vote on Motion No. 6 will obviate the necessity of the question being put on Motion No. 7;

b) A negative vote on Motion No. 6 will necessitate the question being put on Motion No. 7.

[*English*]

Motions Nos. 8A, 19A, 23B, 29B, 36A, 45A, 45B, 45C, 51A and 52A, standing in the name of the hon. member for Don Valley East, cause the Chair procedural difficulties because they seek to introduce into the bill certificates for gun collectors. This is a whole new concept that was not envisaged when the bill received second reading. It is contrary to citation 698(1) of Beauchesne's sixth edition. For this reason, I must inform the hon. member that these motions are out of order.

Motion No. 8B, standing in the name of the hon. member for Don Valley East, cannot be accepted because it seeks to amend a section of the Criminal Code which is not in this bill. I refer the hon. member to citation 698(8)(b) of Beauchesne's sixth edition.

[*Translation*]

The Chair has concerns about Motion No. 9 standing in the name of the hon. member for Haldimand--Norfolk and Motions Nos. 48 and 51, standing in the name of the hon. member for Lambton--Middlesex. They introduce a new concept not envisaged in Bill C-17 as agreed to at second reading. The hon. members are seeking to include provisions in the bill for persons wanting to use a firearm which is not a prohibited or restricted weapon, for hunting or predator control on a farm or ranch. I regret to inform the hon. members that these motions go beyond the scope of the bill and that for this reason they will not be selected.

[*English*]

Motions Nos. 10 and 16, standing in the name of the hon. member for Haldimand--Norfolk, cannot be accepted because they seek to amend either a subsection or paragraph of the Criminal Code which not in this bill. I refer the hon. member to citation 698(8)(b) of Beauchesne's sixth edition.

Motion No. 12, standing in the name of the hon. member for Cape Breton Highlands--Canso, will be debated and voted on separately.

[*Translation*]

Motion No. 13, standing in the name of the hon. member for Renfrew--Nipissing--Pembroke is identical to Motion No. 12 and therefore will not be selected.

Motion No. 13A in the name of the hon. member for Don Valley East will be debated and voted on separately.

[*English*]

Motion No. 14, standing in the name of the hon. member for Cape Breton Highlands--Canso, and Motion No. 15, standing in the name of the hon. member for Renfrew--Nipissing--Pembroke, caused the Chair procedural difficulties. They seek to introduce into the bill a mechanism whereby firearms owners would be compensated in certain circumstances with respect to prohibited weapons. In addition to going beyond the scope of the bill, they infringe on the Royal recommendation contrary to citation 698(7) of Beauchesne's sixth edition which reads as follows:

> An amendment is out of order if it imposes a charge upon the Public Treasury, if it extends the objects and purposes, or relaxes the conditions and qualifications as expressed in the Royal Recommendation.

For these reasons I regret to inform the hon. members that their motions are out of order and will not be put to the House.

[*Translation*]

Motion No. 18, standing in the name of the hon. member for Saint-Hubert, and Motion No. 18A standing in the name of the hon. member for Port Moody--Coquitlam cannot be accepted because they seek to amend subsection 97(1) of the Criminal Code which is not in this bill. I refer the hon. members to Citation 698(8)(b) of Beauchesne's 6th edition.

[*English*]

Motion No. 19 standing in the name of the hon. member for Haldimand--Norfolk will be debated and voted on separately.

Motions No. 20A and 23A standing in the name of the hon. member for Cape Breton--The Sydneys are identical to Motions Nos. 20 and 23, standing in the name of the hon. Leader of the Opposition. After consultations with both hon. members, I will select Motions Nos. 20A and 23A and not Motions Nos. 20 and 23.

They will be grouped for debate and a vote on Motion No. 20A will apply to Motion No. 23A.

Motion No. 21, standing in the name of the hon. member for Cape Breton Highlands--Canso, introduces into the bill the element of "assault". This is covered in section 266 of the Criminal Code but is not dealt with in the bill. In so doing, the hon. member is going beyond the scope of the bill and for this reason the motion is out of order.

• (1320)

[*Translation*]

Motion No. 24, standing in the name of the hon. member for Saint-Hubert, will be debated and voted on separately.

Motions Nos. 25 and 26, standing in the names of the hon. members for Saint-Hubert and Cape Breton--The Sydneys respectively, together with Motion No. 27 standing in the name of the hon. member for Port Moody--Coquitlam, cannot be accepted by the Chair because they seek to amend subsection 104(2) of the Criminal Code which is not in this bill.

[*English*]

Motion No. 36, standing in the name of the hon. member for Kenora--Rainy River, introduces into the bill the national firearms training program to be set up by the minister following from the consultations that have been held with the hon. member.

There may be some doubt as to whether this motion is beyond the scope of the bill, but it would, in any event, be out of order pursuant to citation 698.(7) of

Beauchesne's sixth edition. Motions Nos. 32, 38 and 44, which also deal with the proposed training program, are out of order. Consequently, they will not be selected.

Motion No. 39, standing in the name of the hon. member for Cape Breton--The Sydneys, and Motion No. 40, standing in the name of the hon. member for Port Moody--Coquitlam, are out of order as they are trying to amend subsection 109(1) of the parent act which is not in this bill.

Motion No. 41, standing in the name of the hon. member for Cape Breton--The Sydneys, will be debated and voted on separately.

Motion No. 42, standing in the name of the hon. member for Port Moody--Coquitlam, is identical to motion No. 41 and, therefore, will not be selected.

[*Translation*]

Motions Nos. 43 and 46, standing in the name of the hon. member for Saint-Hubert, and Motion No. 47, standing in the name of the hon. member for Cape Breton--The Sydneys, caused the Chair to reflect and look into their procedural acceptability. After careful review, the Chair is of the opinion that these three motions seek to introduce into the legislation a new administrative element, namely that of administrative fees for registration permits. This is out of order because it goes beyond the scope of the bill and it is with regret that the Chair must inform the members that these three motions will not be put to the House.

[*English*]

Motion No. 45, standing in the name of the hon. member for Kenora--Rainy River, will be debated and voted on separately.

Motion No. 49, standing in the name of the hon. member for Port Moody--Coquitlam, will be debated and voted on separately.

Motion No. 50, standing in the name of the hon. member for Moose Jaw--Lake Centre, will be debated and voted on separately.

Motion No. 56, standing in the name of the hon. member for Kenora--Rainy River, will be debated and voted on separately.

Motion No. 59, standing in the name of the hon. member for Cape Breton--The Sydneys, and motion No. 60, standing in the name of the hon. member for Port Moody--Coquitlam, will be grouped for debate and voted on separately.

I will now give a recapitulation for the convenience of the House.

Motions Nos. 5, 8A, 8B, 9, 10, 13, 14, 15, 16, 18, 18A, 19A, 20, 21, 23, 23B, 25, 26, 27, 29B, 32, 36, 36A, 38, 39, 40, 42, 43, 44, 45A, 45B, 45C, 46, 47, 48, 51, 51A and 52A will not be selected.

Motion No. 1 will be debated and voted on separately.

Motions No. 2, 29A, 30, 31, 35, 36B and 47A are grouped for debate.

Motion No. 2 will be voted on separately.

The question on Motion No. 30 will be applied to Motion No. 35.

An affirmative vote on Motion No. 30 obviates the necessity of putting the question on Motions Nos. 29A, 36B and 47A.

A negative vote on Motion No. 30 necessitates the question being put on Motion No. 29A which will apply to Motions Nos. 36B and 47A. Motion No. 31 will be voted on separately.

Motions Nos. 3, 8, 22, 28, 29, 33, 34, 37, 52 and 61 are grouped for debate and voted on separately.

[*Translation*]

Motions Nos. 4, 11, 17, 54, 55, 57 and 62, together with Motions Nos. 53 and 58 are grouped for debate. A vote on Motion No. 4 will apply to Motions Nos. 11, 17, 54, 55, 57 and 62. An affirmative vote on Motion No. 4 will obviate the necessity of the question being put on Motions Nos. 53 and 58. A negative vote on Motion No. 4 will necessitate the questions being put on those motions.

[*English*]

Motions Nos. 6 and 7 will be grouped for debate and voted on as follows:

An affirmative vote on Motion No. 60 will obviate the necessity of the question being put on Motion No. 7.

A negative vote on Motion No. 6 will necessitate the question being put on Motion No. 7.

[*Translation*]

Motions Nos. 12 and 19 will be debated and voted on separately.

Motion No. 13A will be debated and voted on separately.

[*English*]

Motions No. 20A and 23A are grouped for debate. A vote on Motion No. 20A will apply to Motion No. 23A.

Motions Nos. 24, 41, 45, 49, 50 and 56 will be debated and voted on separately.

Motions Nos. 59 and 60 will be grouped for debate and voted on separately.

It being 1.26 p.m., I do now leave the Chair until two o'clock.

The House took recess at 1.26 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

KUWAIT

Mr. Derek Lee (Scarborough--Rouge River): Mr. Speaker, blue skies are now visible over Kuwait again, thanks to the efforts of two oil fire fighting teams from Alberta who helped put out the 732 oil well fires set by Saddam Hussein's army.

This task took only 10 months, instead of the predicted two to three years. The success of these Canadians has made a significant contribution to ending the ecological trauma that these oil fires represented to the environment and to rebuilding Kuwaiti oil production.

Putting out oil well fires is an endeavour of refined experience which combines science and raw courage. The Canadian oil patch has contributed to oil exploration recovery and safety all around the world: Texas, Oklahoma, Middle East, Indonesia and the North Sea are some of the areas.

The two Alberta teams from Safety Boss of Calgary and Red Flame of Red Deer are part of this proud tradition and Canadians are proud of them for their work. We congratulate them and welcome them home.

WOLVERINE COPPER TUBE

Mr. Stan Wilbee (Delta): Mr. Speaker, it has come to light with the closure of the Wolverine Copper Tube plant in Delta that the company and, to a lesser extent, others have been selling substandard copper tubing to the Canadian public as the real thing.

Since then, in order to allow the substandard copper tubing to be used in British Columbia, the previous provincial government reduced the standard to 85 per cent of the recommended thickness.

I was amazed to learn that copper tubing, a major component in all plumbing installation, does not need to have the Canadian Standards Association's stamp of approval even though all plumbing and electrical fixtures used in Canada require the CSA approval.

I would strongly urge that the federal government work with the provinces to insist on CSA approval for all copper tubing sold in Canada to protect Canadian consumers from being misled by companies such as Wolverine Tube and to ensure that products are provided as specified.

Canadians should not tolerate inferior products to be sold as quality products at non-competitive prices.

* * *

NORTHERN ONTARIO DEVELOPMENT AGREEMENT

Mr. Bob Wood (Nipissing): Mr. Speaker, yesterday this government announced a $95 million charade called the Northern Ontario Development Agreement.

While this government was announcing it in as many cities and as often as it could, it forgot to mention one small detail. The agreement represents a cut of over 50 per cent for northern Ontario.

According to the government, this package was designed to help in the areas of forestry, mining and tourism with an injection of $95 million. However, prior to this agreement combined funding in these same areas amounted to over $220 million.

Let us look at what this government has done for northern Ontario. It gave us high interest rates and high dollar policies which all but wiped out our exporting resource industries. It gave us a 15 per cent softwood lumber surtax. It cancelled mineral exploration incentive programs. It cancelled our train service and our

flights. It cut research and development, native education and the Small Craft Harbours Program. Of course, it gave our tourism industry a 7 per cent go-south tax.

Now, it has kicked an economy that is already down by cutting funding by over 50 per cent. Why does it seem that the government's on-again, off-again deficit fight is always on when it comes to northern Ontario?

For the people of northern Ontario, it is clear that competitiveness and this government do not go hand in hand.

* * *

[*Translation*]

FRENCH AMBASSADOR

Mrs. Gabrielle Bertrand (Brome--Missisquoi): Mr. Speaker, on Saturday, the French ambassador to Canada, Mr. François Bujon de l'Estang, left this country after a posting of more than two years. The ambassador told a reporter from *Le Droit* what his feelings were upon leaving this country, and I quote: "I leave with very positive feelings about a friendly country with tremendous potential. But I am surprised to see Canadians wallow in pessimism and self-pity, without realizing how lucky they are". The ambassador went on to say: "Canada is a rich country; it has plenty of space, a wealth of natural resources, an abundance of cheap energy, a determined and tolerant people and solid democratic traditions. Canada is a kinder, less harsh and more tolerant America".

In a nutshell, the ambassador told us we have a country that complains without realizing how lucky it is.

* * *

[*English*]

INDIAN AFFAIRS

Mr. Ross Harvey (Edmonton East): Mr. Speaker, last Friday, Chief Bernard Ominayak and Indian Affairs Minister Tom Siddon met face to face. It was the first high level meeting since the government attempted to ram its destructive take it or leave it offer down the throats of the Lubicon Indian nation nearly three years ago.

On Sunday, Alberta Solicitor General Dick Fowler indicated that the provincial government would stand by the Grimshaw Accord reached in October 1988. All that now stands in the way of a final settlement of this outstanding national disgrace is the federal government's continuing refusal to negotiate adequate economic development provisions and compensation for decades of abuse and assault inflicted upon the Lubicon people by successive Canadian governments.

It is the federal government that must act now to reopen unconditional negotiations and make the first move toward the achievement of a just and liveable settlement for the people of the Lubicon Indian nation.

* * *

PROPERTY RIGHTS

Mr. Garth Turner (Halton--Peel): Mr. Speaker, the federal government proposes to increase Canadians' rights by putting the right to own property in the Constitution. Last week, a number of groups met in Ottawa to discuss this and agreed on this statement:

> We believe that everyone should have the right to ownership and enjoyment of property, and not to be deprived thereof except by due process and with just compensation.
>
> We believe this right should be given equal weight with the other rights the Charter protects.
>
> We acknowledge that this right to property is subject to, and restricted by, such reasonable limits prescribed by government through law as can be justified in a fair and democratic society.
>
> Given the above, we seek to have property rights included in the Canadian Charter of Rights and Freedoms.

Among the groups who signed this are the P.E.I. Property Owners' Association, Canadian Real Estate Association, Taxpayers' Coalition of Ontario, Alberta Real Estate Association, Fraser Institute, Fair Rental Policy Organization of Ontario, Canadian Homebuilders Association, Ontario Real Estate Association, Toronto Real Estate Board, and the Canadian Condominium Institute.

These organizations support the government's proposal to give Canadians more constitutionally guaranteed rights.

S. O. 31

CANADIAN BROADCASTING CORPORATION

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, to design the public exhibit base celebrating CBC's history as an integral part of the national fabric of Canada, to highlight its use of technology, its management decided to hire an American business whose interpretation will greet us at the front door. To me, it is the ultimate insult to Canadian creators.

Why did Canada's premier cultural institution take this decision? CBC says it was because the foreigners best understood their role in Canadian life. After the poetic cries of support for the CBC, I for one do not think it had to leave Canada to find creators who understand the CBC's role in our lives.

It is easy to suggest that opposition to Americans interpreting Canadian culture is xenophobic, but that would be to miss the point. What we have here is a publicly supported cultural institution whose mandate says it should be predominantly and distinctively Canadian and contribute to the shared national identity. Is it not then contradictory for the CBC to turn to foreigners for self-interpretation?

Let us hope in the future that national cultural institutions will engage Canadian creators and not engage in cross-border shopping.

* * *

[*Translation*]

LEADER OF BLOC QUEBECOIS

Mr. Michel Champagne (Champlain): Mr. Speaker, the Leader of the Bloc Quebecois is very cocky about the anticipated success of his party in the next federal election.

He says one of the ridings his party will win is Charlevoix, which will elect former PQ minister Lucien Lessard. He may have spoken too hastily because Sunday in the municipal election in Forestville Mr. Lessard came in third and last. After being defeated in his own municipality, it is highly unlikely Mr. Lessard will ever get a following elsewhere in Charlevoix.

This is just one more indication of the fact that the political judgment of the member for Lac-Saint-Jean is pretty far off the mark. Never take anything for granted.

MANPOWER AND OCCUPATIONAL TRAINING

Mr. Gilles Duceppe (Laurier--Sainte-Marie): Mr. Speaker, the federal government's position on manpower and occupational training has been severely criticized throughout Quebec.

These are economic issues, and Quebec's economy, and more specifically the economy in Montreal, is suffering as a result of this government's inconsistent policies. All partners in Quebec, including the Conseil du patronat, chambers of commerce, labour congresses, co-operative movements, the City of Montreal, the City of Quebec and the Quebec government agree that manpower and occupational training should be under the exclusive jurisdiction of Quebec.

• (1410)

Claude Piché, who writes on the economy for *La Presse*, said this morning that Ottawa would rather pick fights than be effective, and that its policies were amateurish in the extreme. That is why Bloc Quebecois members urge members from Quebec to form a common front and show their solidarity with all Quebecers. The choice is this: Defend Quebec or slavishly follow the party line.

* * *

[*English*]

CAREER WEEK

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, stay in school is the message to be promoted during Canada's career week. The week November 3 to November 9 provides a national focus on the future for youth. Thirty per cent of high school students across the country drop out, but in today's job market education is a prerequisite. Students need to see the direct link between their studies and their futures. Career week encourages communities to become directly involved in their schools through such events as job fairs and visits to work places.

Young people need to realize the value of an education. Their dropping out limits not only their futures but the future of our nation as a whole.

THE CONSTITUTION

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I rise to speak about the parliamentary committee on the government's constitutional proposals touring the country.

Committee subgroups will appear in my riding, Thunder Bay and Timmins, this Thursday. Yesterday the local papers ran large ads directing readers to the local MP's offices for information. All information we have gathered concerning the agenda has been through our own efforts.

No one organizing the committee called either to give us any information or ask permission to use our names in the ads. Yesterday the committee's chairperson stated that dissemination of information had been hampered by the cutting of the committee's advertising budget.

I suggest there is plenty of money yet for advertising, especially for friends of the government. What is lacking is organization, intelligence, and the political will to finally let Canadians into the constitutional process.

New Democrats have from the beginning called upon the government to make this an open participatory process. Unity is too important to be lost in the process and not in the substance.

I call on the committee co-chairs to get their act together before it is too late.

* * *

[*Translation*]

HEALTH SERVICES

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, imposing user fees for health services is not the answer. It would penalize children and low income families who already have trouble making ends meet. The health care system in Canada must be reformed, but not by raising costs to the detriment of the most disadvantaged.

Certainly the system is abused by some people, but what about a radiologist who can earn up to $600,000 a year? Perhaps we should start by better managing our health care system, since it accounts for a third of our national budget, or $60 billion. In Quebec it is $11 billion. That is a lot of money and before spending more, it would be better to re-evaluate our services, some of which are underused.B

We made health care universally available. Several countries have copied us and the United States would like to do the same. Will we go backward and again charge taxpayers who are already overtaxed?

* * *

[*English*]

YUGOSLAVIA

Mr. Jesse Flis (Parkdale--High Park): Mr. Speaker, the fighting in Yugoslavia continues. The beautiful city of Dubrovnik, an historical museum within walls, is being bombed. We see this on television every day. Innocent women and children are losing their lives, and we ask why.

The position of our party has always been not to take sides. We are saying it is up to the people in Yugoslavia to come to their own resolution of the problem, with international help if at all possible.

Our party recommended the help of CSCE, the EC. When that failed our party was urging the United Nations to get involved to support the cease-fire and to put an end to the conflict in Yugoslavia.

The international community is talking about bringing about sanctions. I hope that whatever sanctions are brought about will hurt the army which is doing the attacking and not the innocent Serbs, Croatians, or Slovanians.

* * *

IMPORT REGULATIONS

Mr. Bill Casey (Cumberland--Colchester): Mr. Speaker, the effort to make Canadian business competitive must include the government regulations and policies which are sometimes part of the problem. One example is the double standard which allows consumers to take advantage of preferred tariff treatment with the U.S., with virtually no paperwork when importing goods from the U.S. as long as there is some indication that the item was manufactured in the United States.

However, if a Canadian business imports the same item for resale under the same tariff treatment, the business must obtain from the manufacturer cumbersome documentation which often makes it impractical

for the business and in many cases the information is just simply not available, which then obviously makes it impossible.

As a result, Canadian business is prevented from offering to the Canadian consumer the same merchandise as the U.S. business at competitive prices.

The Departments of Revenue and Finance must move to one set of uniform proof of origin regulations for both casual and commercial imports if Canadian business is to be given a chance to compete.

I urge them to proceed to eliminate this regulation, and all other regulations which hinder the competitiveness of Canadian business, right away.

* * *

GOODS AND SERVICES TAX

Mr. Brian L. Gardiner (Prince George--Bulkley Valley): Mr. Speaker, anger over the Conservative government's goods and services tax is still widespread.

A recent survey of constituents in my riding of Prince George--Bulkley Valley shows that 80 per cent of the people are more opposed to the tax than when it was first introduced. A mere 3 per cent said they were more in favour.

A serious concern for the business community is that over 82 per cent of the people who replied said they had reduced their spending because of the GST. The majority, 90 per cent, felt that it was possible to abolish the GST and bring in a fair tax; 93 per cent said the GST should be an issue in the next election.

Canadians should reject the Liberals, Conservatives, Reformers and Bloc for their support of the GST. Canadians should join with the New Democrats and axe the tax.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is for the Minister responsible for Constitutional Affairs. I was told that he would be in the House, but since he is not I will put my question to the Prime Minister. On April 21, the Liberal Party asked the government to create a joint committee of the House of Commons and the Senate to study the government's constitutional proposals and to begin hearings as soon as possible. The government accepted this proposal in the Speech from the Throne, on May 13. However, we know that the committee started work late in September and today, in early November, we realize that it is not working well. So far it seems that the process is not working well and the government is not doing what is necessary to ensure that this committee produces the desired results. At present the committee appears to be a laughing stock throughout the country.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, yes, the parliamentary committee has some problems.

An hon. member: It's a circus.

Mr. Mulroney: Well, the two independents in the House say that it is a circus. It is an honest attempt by the three main parties in this House to take part in drawing up a new constitution. And when you involve 30 or 35 people in a process across a country as vast as Canada, there are start-up problems. That being said, I am told that Senator Castonguay and Mrs. Dobbie have taken certain measures to greatly improve the effectiveness of the committee. If so, and we shall monitor it closely, although a joint committee of Parliament is to be independent, we shall keep a watchful eye on it and if we see shortcomings we shall extend the co-operation not only of the government but of Parliament as a whole, because it is an important national commission working in the national interest.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, will the Prime Minister ask his Minister responsible for Constitutional Affairs to take hold of the situation at this time? We cannot wait a very long time. We have a deadline to meet at the end of February and it would be better to have an earlier deadline.

We have lost very precious time. We want this problem to be resolved. We are very concerned. We want the country to put its mind to other major problems facing the country as quickly as possible. It is the responsibility of his minister to make sure that this job is done quickly and clearly for everybody. We want the Prime Minister

to see that this job is done in the interest of Canadians as quickly as possible.

• (1420)

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I share the concern expressed by my hon. friend and I think all members of the House do, with the exception of a few freeloaders over here who like to take advantage of Canadian unity while they are trying to undermine it.

It was pleasant last week to find out the latest proposal about an independent Quebec. You could have an independent Quebec, as described by their leader, Mr. Parizeau. They were going to have an independent Quebec with Canadian money, with a Canadian economic union and now with Canadian citizenship and a Canadian passport. Why would you go to all the trouble? We will be delighted to keep you as Canadian citizens.

The problem that the Minister responsible for Constitutional Affairs encounters is, of course, the proper balance between the independents of a parliamentary committee and the desire to offer full co-operation on behalf of either the government or members of this House. The minister has just arrived in the House and I know that he will want to assure the Leader of the Opposition personally of his interest in this matter and his desire to work very closely with the co-chairs to ensure a greater degree of effectiveness so that as many Canadians as possible can be heard in what is an important contribution to nation-building.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we are all concerned.

I would like to tell the Prime Minister and the minister, of course, that if we are to have the same passport and everything from the independents, so much the better, but we should not give them an occasion to make fun of the process that we on this side take very seriously.

I ask the minister, who is now in his seat in the House, to make sure, if need be, to change the member from this House who seems to be the problem in this committee, to take his responsibility and appoint a person who will not become the laughing stock of the country.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I apologize to the House for being late in the Chamber.

Mr. Nunziata: Lost your luggage again?

Mr. Clark (Yellowhead): That is right, Mr. Speaker, I lost my luggage.

I understand the seriousness of the issue. Certainly I share the concern of the Leader of the Opposition about the effective functioning of the special joint committee. I think everyone does. If members of the House believe it would be appropriate for me to sit down with the two co-chairs, even though this is a special joint committee operating normally at arm's length from the government, I would be more than happy to do that as quickly as possible and do everything that we can in the spirit that I think has been evident in this House to ensure that the committee functions effectively and is a means by which Canadians can take part constructively in defining the future of a strong and united country.

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GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, the Canadian Federation of Independent Business today released a report which states that the GST has had a devastating impact on Canadian small business.

I would like to ask the Minister of Finance if he concurs with the results reported in this study or does he have any facts, not theories but facts, which contradict the report?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, we have always recognized that there would be difficulties with a major tax change of this nature and we said it well prior to implementation.

However, we do not agree with Mr. Bulloch's conclusions in any way, shape or form because the study as announced today by Mr. Bulloch is incomplete, if not flawed. It overlooks some very, very serious points. For example, it did not include the administrative costs of the federal sales tax which businesses paid for while it was there, and the 22,000 exemptions and loopholes which we scrapped for the benefit of the business community.

It did not include transitional tax credit or the accelerated write-offs and so on. Most of all, it overlooked the fact that most of the financial costs are either recoverable or deductible as business expenses.

This government said in advance of the implementation of the GST, after we scrapped the outgoing federal manufacturers' sales tax, that we would continue to consult with business and with Canadians as a whole to try to improve and simplify the system whenever and wherever possible. The Minister of Finance is going to be announcing some adjustments later this afternoon.

I invite Mr. Bulloch to come and work with us on behalf of business, instead of against us. That is not constructive.

Mr. John Manley (Ottawa South): Mr. Speaker, this is not an issue of implementing the tax, this is an issue of tax policy and the Minister of Finance should be answering for it.

Last week the government made the display of wanting to go out and consult with the public on the issue of competitiveness. If the minister is unwilling to accept the CFIB's findings on the impact of this tax, is he prepared to undertake immediately a public review and consultation study of the impact of the GST on Canadian business?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, there are two very important factors that the hon. member forgets.

The first factor is that studies, royal commissions, including an all-party parliamentary committee, agreed categorically and unanimously for the last 40 years that the federal manufacturers' sales tax had to be scrapped and replaced with something fairer and more modern like a value added tax which is being successfully used in some 48 other countries.

The other factor that the hon. member forgets is that there was a consultative process leading up to the implementation of the GST. There were some 6,000 business seminars. There were some 135,000 visits with business people to help them prepare. Virtually all business organizations--and I have to specifically compliment the Retail Council of Canada--worked in support of their membership to prepare them for the adjustments, except for the CFIB, and I would hope that the CFIB would once and for all start working on behalf of business instead of against them.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is directed to the Minister of Finance.

All Canadians appreciate the value of the small business sector in terms of driving the economy, particularly in the future, and job creation in the country. In the government's own goods and services tax information booklet for small business, it said that the GST would lower operating costs. The CFIB today indicated that the average cost for business is in excess of $9,000. It also said it would improve cash flow. We know that the GST has massacred small business. Some 13,000 have gone bankrupt in this past year. Another 20,000 have had to walk away from their businesses.

My question to the Minister of Finance is this. Knowing the reality of the GST, why did the government mislead Canadian small business about the effects of the GST?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the New Democrats have constantly been blaming the free trade agreement for lost jobs and they were wrong in trying to blame the free trade agreement. Now they are trying to blame the GST for lost jobs and they are just as wrong in trying to blame the GST.

I repeat what I said in reply to the earlier question, that the methodology used by Mr. Bulloch in the study is flawed. It does not include many of the elements, including the discounting of nearly $1 billion of start-up costs for small businesses, or the $2.3 billion of GST credits to low and modest income Canadians. The fact of the matter is that all royal commissions over the years have categorically concluded that the federal manufacturers' sales tax must be scrapped and replaced with a value-added tax in order to make Canadian businesses more competitive. Can the hon. member not get that into his head, that the federal manufacturers' sales tax taxed the cost of doing business. The GST does not.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I want to suggest to the hon. minister that it was not the New Democratic Party, it was Catherine Swift of the CFIB who this morning estimated that between 100,000 and 200,000 jobs were lost because of the GST alone.

• (1430)

My question goes back to the Minister of Finance who knows full well the Gallup polls indicate that in excess of 70 per cent of Canadians are against the GST. This morning we find out that 70 per cent of the small business community across Canada is also against the

GST. I want to say very categorically that the New Democratic Party is also against the GST, 100 per cent.

My question is for the Minister of Finance who has indicated an interest in consultation with Canadians. Some 70 per cent of Canadians say it is wrong and 70 per cent of the small business sector say it is wrong. I suspect that Main Street, Vegreville says it is wrong. Will the minister now say that 70 per cent of Canadians are wrong in their GST opposition?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member wants to scrap the GST. How would he replace the revenues? He wants to scrap the free trade agreement. How would he open up markets to the business community of the country?

The member quoted some studies. I will quote another study which was recently done, granted in the Atlantic region only. It was done by an independent organization and concluded as follows: 80 per cent of small businesses feel that they understand the GST as it relates to their business; 77 per cent had no problem understanding and completing their forms; 94 per cent felt the service they received from Revenue Canada was helpful and courteous; and 92 per cent were satisfied with the over-all level of service offered by Revenue Canada.

It is quite obvious that Canadians are going to be concerned when a hidden tax is replaced by a fairer and open sales tax. But there is no doubt in any of those reports and royal commissions done during the last 40 years, including an all-party parliamentary committee which suggested that this government do the right thing for Canada, and that is exactly what this government has done.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I think it is clear to say that 70 per cent of Canadians and 70 per cent of the small business sector say they do not want a Tory GST or a Liberal GST. They want no GST, plain and clear.

I want to go back to the Minister of Finance who is going to ignore 70 per cent of the Canadian public, particularly 70 per cent of the small business sector. If the government is going to go ahead with this massacring type of tax, will he at least acknowledge that every small businessman and woman across the country has been turned into a federal tax collector, with absolutely no compensation? If the government is going to go ahead with this very punitive tax, at least compensate those who are collecting the tax for you.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, as the hon. member knows there is a compensation or subsidy to small business for the start-up costs.

The hon. member also quotes what the Canadian business and public want. They want greater productivity. They want greater job creation opportunities. The two things that are going to drive it there are lower interest rates, which are as low as they have been since 1978, and lower inflation rates which are lower today than they have been in the last 20 years.

That is the progress that this government has been making, and that is what the hon. member and John Bulloch should be applauding this government for.

Mr. Jim Peterson (Willowdale): Mr. Speaker, this government has been very concerned, as it should be, with Canada's declining competitiveness. As a matter of fact a year ago the then Minister of Finance told Canadians through this House that the GST was going to put Canadian business on a level playing field. Now 70 per cent of small business disagree with this tax. They say they have been hurt by it.

This is not an implementation problem. This is a fundamental policy problem. Will the Minister for Finance respond? He has not put Canadian business, at least small business, on a level playing field. He has thrown them into the showers. Won't he reconsider this tax measure?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am sure the hon. member is aware that the small business sector in Canada has the lowest corporate tax rate of any small business sector in the world. That recognizes the importance of small business to Canada.

He should also realize, and I know that he does, that under the federal sales tax it did hurt competition for Canadian concerns relative to those who were importing similar goods because the imports were taxed at roughly one-third that of comparable goods. He should also be aware that the over-all impact of the GST which is

refunded for business people has reduced the cost of capital by about 4 per cent.

All in all the application of the GST as a replacement for the FST has over all reduced the cost of doing business in Canada. That makes Canadian business more competitive.

Mr. Jim Peterson (Willowdale): Mr. Speaker, it is extraordinary that this minister could tell us that this tax has enhanced the competitiveness of Canadian small business, particularly small manufacturers. A majority of small manufacturers disagrees with the minister and says that this tax is worse than what we had before.

How can Canadians have faith in this government's ability to lead us into prosperity when its GST, according to all these studies, is working against small business?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is a very intelligent member and understands business very well. He knows that what has occurred here is that when we brought in the GST we removed the 13.5 per cent federal sales tax which was a burden on business. It was recommended by royal commission after royal commission, parliamentary study after parliamentary study, that it should be scrapped for over six years.

This government had the courage to scrap it and in so doing has in fact improved the competitiveness of Canadian business.

I want to say something else. We know as well that the replacement of the FST with the GST has saved the farmers of Canada over a quarter of a billion dollars.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Finance.

The verdict is in. The GST has sucked nearly $10 billion from the bottom line of small businesses across Canada. It has caused a recession and cost over 100,000 Canadian jobs.

My question is: Will the government now admit what all Canadians already knew, that the GST was the wrong tax at the wrong time?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I have already explained that the methodology used in that study is absolutely false. It did not include many important elements in the conclusions of that study.

Another part is that the elimination of the federal manufacturers' sales tax, just to carry on from what the Minister of Finance said, is going to release over the next months and into next year as we come out of the recession some $9 billion of new economic activity.

That is probably the reason why the Leader of the Opposition now says he is going to keep the GST.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the Minister of Finance.

Today the CFIB said, and I quote: "There is absolutely no justification, economic or political, for continuing to impose this costly, inefficient, regressive and unfair tax, the GST".

Will the government now take the advice of the CFIB and withdraw this badly flawed, unfair, inefficient and regressive tax, the GST? Yes or no.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, that is not what Mr. Bulloch used to say as a matter of fact. One of the elements in this report that we agree with whole-heartedly is harmonization of the GST with provincial sales taxes. We do not believe for a moment that objective of ours is dead. We are continuing as we stand here today discussing and consulting at the officials' level with the majority of provinces.

We would hope that the provinces will see the light of day and will see the benefits of harmonization not only for their businesses but their consumers as well. We continue to work toward that goal, that objective of having one tax, one system for Canada and Canadians.

Mr. Steven W. Langdon (Essex--Windsor): Mr. Speaker, the minister as usual has brought out his excuse of harmonization as the answer to everything. In fact harmonization is going backward. Quebec has postponed it for six months. The province of Saskatchewan has backed out entirely. Will this government admit that the harmonization process is dead and recognize what the CFIB has therefore concluded, that it has to rethink entirely its sale tax project?

• (1440)

Hon. Otto Jelinek (Minister of National Revenue): No, Mr. Speaker, we do not believe that the harmonization process is dead at all. We are not going to rethink our objective and goal of having one tax, one system.

I would hope that the hon. member would go to Queen's Park and talk to his friend and ours, the premier of Ontario, and ask him to rethink his position on harmonization because harmonization in Ontario, as in any other province, would help not only the business person and business in that province but certainly the consumer ultimately.

Mr. Steven W. Langdon (Essex—Windsor): In fact, Mr. Speaker, the GST has damaged right across the province of Ontario, especially in border communities, small business, medium sized business, every form of business, and this minister knows it.

[*Translation*]

My supplementary question, Mr. Speaker, is as follows. Seventy per cent of Canadians are opposed to the GST. Why is the Minister of Finance not prepared to accept these recommendations and reconsider this proposal on the GST? Why is the minister not prepared to answer Canadians throughout this country?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Very simply, Mr. Speaker, because as the hon. Minister of National Revenue indicated to the House the study is not complete. It is flawed. It uses selective methodology. Therefore it would only mean that the conclusions and the recommendations would be incomplete or flawed as well.

* * *

[*Translation*]

OCCUPATIONAL TRAINING

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is for the Minister of Employment and Immigration.

The Quebec Chamber of Commerce urged its members to boycott the latest federal offensive on occupational training. Director General Claude Descoteaux said that it is hard to understand an initiative that involves scattering money outside the structures and organizations which are already mandated to provide occupational training.

Since the approach is completely improvised, why did the minister not consult the organizations involved in this field, such as the Quebec Chamber of Commerce?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I think it is time for the hon. member to stop masquerading and to say exactly what he is talking about.

He is talking about $12 million released under the Unemployment Insurance Act reform. What he calls improvisation was supported by the economic expansion board of Argenteuil, the St. Maurice Valley farmers' union, the General Motors workers' union, the Marine Industries workers' union, the Chambly economic council, the Valleyfield Chamber of Commerce, the South Shore Chamber of Commerce and the Berthierville Economic Development Corporation.

If you tell me that these groups are improvised and do not really exist in Quebec, I suggest that you return to Quebec and see what actually happens in the labour market. You will realize that Quebec workers need to strengthen their positions and their skills and that is what the UI reform is trying to do.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I have a supplementary for the same minister.

What the minister is doing has created even more confusion, and there is already plenty as far as manpower issues are concerned. How can the minister justify spending over $15 million to consult the public on competitiveness, when he has managed to line up a number of organizations in Quebec?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I have had several conversations with the Quebec minister in charge of training. In fact, I will be meeting him again this Friday.

Instead of getting involved in a lot of useless arguing, my government and I are concentrating on the circumstances of workers in Quebec, and that is why this Friday I will be having another meeting with Minister Bourbeau to consider how to co-ordinate our activities in the best interests of workers in Quebec.

[*English*]

THE ECONOMY

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is for the finance minister.

The value of the Canadian dollar keeps increasing. In Sudbury alone every time the dollar goes up by one cent it costs Inco approximately $15 million in operating earnings in that year, and that is only one company in one sector in northern Ontario.

When will this government step in?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, perhaps the hon. member may want to check with her companies in Sudbury to find out how much they are saving on the reduction in interest rates, because interest rates have come down dramatically. We said that was the key to economic recovery, but in order to bring interest rates down we had to ensure that we could contain inflation and we had to ensure that we could consolidate our fiscal position. That would allow us to bring down interest rates and keep them down. If we can keep the inflation rate down and therefore our interest rates down, we will pave the way for a sustainable, durable recovery.

The hon. member knows very well that the federal government does not artificially set the value of the dollar. We do have a policy of a floating exchange rate and its value is established in the marketplace. I am sure the hon. member understands that, and I think that is the understanding and the position of the Liberal party as well.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, perhaps the Minister of Finance can tell these things to the people of Falconbridge who are going to be shut down for seven weeks this year where they used to have only a two-week shutdown.

[*Translation*]

Canadians want to know what this government's strategy for competitiveness means. Does it mean a Canadian dollar at par with the American dollar? Does this government have a strategy for our Canadian dollar? Yes or no?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the economic strategy of the government is to provide a framework for sustainable, durable growth with price stability. That is the key. If we can do that, that will bring our interest rates down, that will encourage investment, that will encourage purchasing, and that will allow us to build a strong, durable economy with price stability. The two go hand in hand.

I am sure the hon. member appreciates this as well. We have to contain the deficit. We have to reduce government expenditures because every time we borrow more money to finance a deficit, whether it be in a province or whether it be in the federal government, it has the ability of driving up the value of the dollar. I ask for the hon. member's co-operation in that regard.

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WOLVERINE COPPER

Mr. Lyle Dean MacWilliam (Okanagan--Shuswap): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Western Canada's only copper manufacturer has been shut down and 175 jobs lost. U.S. based Wolverine Copper has a monopoly in the Canadian copper market, but it has refused to allow the British Columbia plant which has been mothballed to be purchased by Canadian workers and by investors because, in its own words, it would harm the market.

I want to ask the minister whether he will use his authority to order a complete reinvestigation into the merger of Noranda Mines and Wolverine Copper. Time is running out. Will he explain what the government is prepared to do to ensure that these Canadian workers can keep their jobs and that Canadian investors have an opportunity to compete in the marketplace?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the director of the Bureau of Competition Policy has looked at several aspects of the case and how these are affected by our legislation. Certain aspects of the question are now being investigated. I would like to point out to the hon. member that the Bureau of

Competition Policy acts independently. It is in fact a tribunal with quasi-judicial status. This makes it very difficult for the government to intervene.

• (1450)

The only thing I can do is ensure that, when we get a situation like this, the Bureau of Competition Policy is able to do a comprehensive review. The bureau is now analysing certain aspects of this question.

[*English*]

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my supplementary question is for the same minister.

Forty-five per cent of the production of this B.C. plant was exported to the U.S. It was beating the U.S. plants in their own backyard. As the only plant in western North America, it was set to expand its capacity to the Pacific Rim. That is why this plant was closed.

Does the minister not recognize that as a result of the free trade agreement this manoeuvre was designed to lessen competition with the U.S. industry while at the same time allow U.S. plants to take advantage of reduced tariffs to supply Canadian markets? Recognizing that, is he prepared to exercise his responsibility?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the hon. member has a lot of experience. He should realize that in cases like these complaints are filed with the Bureau of Competition Policy requesting a review of the entire question. At the request of a number of people who filed complaints under a specific section, their complaints were withdrawn. However, the director is still considering several aspects of the question.

I hope the hon. member is not asking me to intervene in the business of a quasi-judicial body. The government does not intend to do so since the Bureau of Competition Policy acts independently, and I intend to maintain this position.

[*English*]

PRINCE EDWARD ISLAND

Mr. Bill Casey (Cumberland--Colchester): Mr. Speaker, my question is for the Minister of Public Works with regard to the fixed link. It will not only have a dramatic impact on the economy of all of Atlantic Canada. It will encourage economic unity and increase the competitiveness of the entire region.

Considering the very positive impact of this project, will the minister give the House an update and perhaps a timeframe for the development of this project?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, I can report briefly to my colleague. I appreciate his continuing interest in this important project.

The specific bridge proposals have now been submitted for evaluation by a panel of ice experts that will report back to Public Works in due course. Those which pass the environmental criteria will then be eligible to bid for the actual construction of the fixed link. We expect this will occur early in the new year.

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HEALTH CARE

Mr. Garth Turner (Halton--Peel): Mr. Speaker, we all know the future of health care funding becomes more critical as the current baby boom generation ages.

Today a CBC poll indicates that 56 per cent of Canadians would favour user fees over higher taxes to meet this increasing financial demand.

I want to ask the minister of health if he would agree to review, along with his provincial counterparts, ways to better utilize our precious health care dollars and with such a review seriously consider allowing user fees for some health services for those with the ability to pay.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I appreciate the question because I believe it is good to make a point about user fees.

First, Canada spends about $60 billion a year, private and public money, on the health care system which is the second highest in the world just after the United States.

Last September in Winnipeg we agreed with the provincial ministers that to put more money in the system would not fix the problems the provinces face. Studies have been made by all the provinces and it was found that in any case one province could recommend a user fee because it would be as expensive to manage the user fee.

Finally I want to draw attention to one point in particular. Any user fee will harm the capacity for poor people, particularly women, single parents and so on, to have good health services. For that reason particularly and for all the reasons I raised, I am personally opposed to any user fee in the health care system.

* * *

[*Translation*]

EMPLOYMENT

Mr. Guy H. Arseneault (Restigouche--Chaleur): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. The government's policy to keep the dollar high is a disaster for Canadian exports. Last week, Atholville Pulp closed its doors, putting 285 people out of work. Since the unemployment rate in the area is up to 15 per cent and this plant closing is an economic catastrophe, what does the government intend to do to preserve these jobs? And could it report on what it has done so far?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, unlike the hon. member, I am doing something about it. I was in Moncton Saturday, where I had a meeting with the provincial economic development minister, the minister of natural resources, and the minister of intergovernmental affairs. We discussed the problem at Atholville. All services available under the programs of the Department of Employment and Immigration have been made available to Atholville workers. We hope these measures will be able to alleviate the problems caused by the closing of the Fraser plant.

[*English*]

Mr. Guy H. Arseneault (Restigouche--Chaleur): Mr. Speaker, I thank the minister for part of his answer at least.

I would like to say that I appreciate his personal involvement, but on Friday of last week I met with union representatives and community leaders about this closure. The consensus which emerged was that reopening the mill with new ownership and the manufacturing of finished products was the best possible means of preserving these jobs.

What will the minister do to guarantee that no effort is spared to ensure that this goal is reached?

Hon. Bernard Valcourt (Minister of Employment and Immigration): *Encore là,* Mr. Speaker, the hon. member must know that there is right now a study being made by the workers, by the union at the mill. As soon as they get the results we will be able to look at any recommendations that come up and we will take it from there.

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GOODS AND SERVICES TAX

Mr. Don Boudria (Glengarry--Prescott--Russell): Mr. Speaker, my question is for the Minister of Finance.

One-half of all businesses in Canada says that the GST is singularly responsible for lost business. When will the minister wake up, smell the coffee, and recognize the damage that he and his government have inflicted upon small and medium sized business in Canada?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the hon. member knows full well that the federal manufacturers' sales tax was not only damaging big business but was damaging small business and the economy as a whole.

All governments of the past did not have the guts to move ahead with this very important tax change. The hon. member knows that. John Bulloch knows that and the Leader of the Opposition knows that. That is why that leader said just yesterday that he would not be scrapping the GST because it is good for the future of Canadians and good for Canadian competitiveness as well.

Mr. Don Boudria (Glengarry--Prescott--Russell): Mr. Speaker, we got along just fine before this government and its economic policies. We will get along just fine after Canadians are rid of them.

[*Translation*]

My supplementary is directed to the Minister of Finance. The report of the Canadian Federation of Independent Business confirmed that 100,000 jobs in Canada were lost due to the GST. Why did the minister cause 100,000 jobs to be lost in this country?

[*English*]

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, I do not know what the hon. member's past is but my past is being a small businessman.

Mr. Fontana: Ask your brother.

Mr. Jelinek: Someone says: "Ask your brother". The reason my brother was able to expand his business outside the borders and keep his headquarters in Oakville, Ontario was because of the economic opportunities that have arisen in Canada to make him expand.

Some hon. members: Hear, hear.

Mr. Jelinek: Can't you get that through your thick head, that expansion is not bad?

* * *

ROUTE CANADA

Mr. Terry Clifford (London--Middlesex): Mr. Speaker, my question is for the Minister of Labour.

Canadians are currently undergoing a fundamental transition in our economy at a time when older workers are hit hardest by the ravages of unemployment.

Does the minister find the program for older worker adjustment fair when 54 Route Canada workers in London got no benefits, lost their jobs, and are ineligible, when members in the same job in the same company in Hamilton were able to get the benefits of POWA? Does the minister think this is fair? Should geography matter in a regional national program?

• (1500)

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, the hon. member will know that the program for older workers adjustment is a federal-provincial program that provides for financial assistance where there has been a major lay-off, depending on the size of the city.

In the case of the Route company in the hon. member's riding, because of the criteria of the program there would have been 17 older workers affected out of a population of the city of roughly 270,000. It was decided that because of the criteria unfortunately these workers would not be eligible.

However, having said that, the hon. member will know that under the labour force development strategy a substantial number of programs would be available to those workers and I would advise those workers to take advantage of them.

* * *

THOMPSON AND FRASER RIVERS

Mr. Brian L. Gardiner (Prince George--Bulkley Valley): Mr. Speaker, my question is for the Minister of National Health and Welfare.

A major study of dioxin and furan levels in fish tissues, river bottom sediments and drinking water throughout the entire Thompson and Fraser Rivers systems was expected this spring but has been delayed and not yet released.

A copy of the report has been given to the minister's department. I would like to ask the minister if he could tell this House the reasons for the delay and when we might expect the report to be finally completed and released to the public.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, as we do normally when the minister receives a report, we have to study and consider recommendations, but I can assure my friend that as soon as the study is over I am going to release the report to all Canadians.

GOVERNMENT ORDERS

[*English*]

WAGE CLAIM PAYMENT ACT

MEASURE TO ENACT

The House resumed from Monday, November 4, consideration of the motion of Mr. Blais that Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in con-

sequence thereof, be read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations; and the amendment of Mr. Rodriguez (p. 4192).

The Acting Speaker (Mr. DeBlois): It being three o'clock p.m., pursuant to Standing Order 45(5)(a) the House will now proceed to the taking of the deferred division on the amendment of Mr. Rodriguez at second reading stage of Bill C-22, an act to enact the Wage Claim Payment Act, to amend the Bankruptcy Act and to amend other acts in consequence thereof.

Call in the members.

The House divided on the amendment, which was negatived on the following division:

(Division No. 52)

YEAS

Members

Althouse	Arseneault
Assad	Axworthy (Saskatoon--Clark's Crossing)
Axworthy (Winnipeg South Centre)	Bélair
Bellemare	Benjamin
Berger	Bevilacqua
Blenkarn	Boudria
Boyer	Breaugh
Brewin	Butland
Campbell (South West Nova)	Catterall
Chrétien	Clancy
Clifford	Copps
Crawford	Dingwall
Dionne	Duceppe
Finestone	Fontana
Foster	Funk
Gaffney	Gagliano
Gardiner	Gauthier
Harb	Harvard
Harvey (Edmonton East)	Heap
Hopkins	Hovdebo
Jordan	Kaplan
Kilger (Stormont--Dundas)	Langdon (Essex--Windsor)
Lapierre	Laporte
LeBlanc (Cape Breton Highlands--Canso)	Lee
MacDonald (Dartmouth)	MacLaren
MacLellan	MacWilliam
Manley	Marchi
Marleau	McGuire
Mifflin	Milliken
Mills	Nault
Nunziata	Parent
Parker	Peterson
Prud'homme	Rideout
Riis	Rodriguez
Scott (Hamilton--Wentworth)	Skelly (North Island--Powell River)
Speller	Stewart
Taylor	Thompson
Tremblay (Rosemont)	Venne
Waddell	Walker
White	Wood
Young (Acadie--Bathurst)--81	

NAYS

Members

Anderson	Andre
Beatty	Belsher
Bertrand	Bird
Blais	Bouchard (Roberval)
Brightwell	Browes
Cadieux	Campbell (Vancouver Centre)
Cardiff	Casey
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Brandon--Souris)	Cole
Collins	Cooper
Corbeil	Couture
Danis	Darling
Della Noce	Dick
Domm	Dorin
Duplessis	Edwards
Epp	Fee
Feltham	Ferland
Fontaine	Fretz
Gray (Bonaventure--Îles-de-la-Madeleine)	Greene
Guilbault	Gustafson
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Holtmann	Horner
Horning	Hudon
Jacques	James
Jelinek	Johnson
Joncas	Jourdenais
Kempling	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Loiselle
Lopez	MacDougall (Timiskaming)
MacKay	Malone
Marin	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McKnight	McLean
Merrithew	Monteith
Moore	Nicholson
Oberle	O'Kurley
Plourde	Porter
Redway	Ricard
Richardson	Robitaille
Roy-Arcelin	Saint-Julien
Schneider	Shields
Siddon	Sobeski
Soetens	Sparrow
Stevenson	Tétreault
Thacker	Thorkelson
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton--Peel)	Valcourt
Van De Walle	Vankoughnet
Vézina	Vincent
Weiner	Wilbee
Winegard	Worthy--112

PAIRED--MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the amendment lost.

The next question is on the main motion. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1530)

Mr. Hawkes: Mr. Speaker, I was just wondering whether there would be a predisposition in the House to take the previous vote and apply it in reverse to the main motion. Certainly there would be on the government side.

Mr. Nowlan: Mr. Speaker, I generally agree, except since I abstained on the amendment I certainly want to vote on the main motion and would so vote with the bill.

Miss Grey (Beaver River): Yes, Mr. Speaker, I did the same thing. I abstained on the NDP amendment and I want to support the government on Bill C-22.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to adopt the motion of the hon. government Whip?

Some hon. members: Agreed.

The House divided on the motion, which was agreed to on the following division:

(Division No. 53)

YEAS

Members

Anderson
Andre
Beatty
Belsher
Bertrand
Bird
Blais
Bouchard (Roberval)
Brightwell
Browes
Cadieux
Campbell (Vancouver Centre)
Cardiff
Casey
Chadwick
Champagne (Champlain)
Charest
Chartrand
Clark (Brandon--Souris)
Cole
Collins
Cooper
Corbeil
Couture
Danis
Darling
Della Noce
Dick
Domm
Dorin
Duplessis
Edwards
Epp
Fee
Feltham
Ferland
Fontaine
Fretz
Gray (Bonaventure--Îles-de-la-Madeleine)
Greene
Grey (Beaver River)
Guilbault
Gustafson
Harvey (Chicoutimi)
Hawkes
Hicks
Hogue
Holtmann
Horner
Horning
Hudon
Jacques
James
Jelinek
Johnson
Joncas
Jourdenais
Kempling
Koury
Landry
Langlois
Larrivée
Layton
Lewis
Loiselle
Lopez
MacDougall (Timiskaming)
MacKay
Malone
Marin
Martin (Lincoln)
Mayer
Mazankowski
McCreath
McDermid
McKnight
McLean
Merrithew
Monteith
Moore
Nicholson
Nowlan
Oberle
O'Kurley
Plourde
Porter
Redway
Ricard
Richardson
Robitaille
Roy-Arcelin
Saint-Julien
Schneider
Shields
Siddon
Sobeski
Soetens
Sparrow
Stevenson
Tétreault
Thacker
Thorkelson
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton--Peel)
Valcourt
Van De Walle
Vankoughnet
Vézina
Vincent
Weiner
Wilbee
Winegard
Worthy--114

NAYS

Members

Althouse
Arseneault
Assad
Axworthy (Saskatoon--Clark's Crossing)
Axworthy (Winnipeg South Centre)
Bélair
Bellemare
Benjamin
Berger
Bevilacqua
Blenkarn
Boudria
Boyer
Breaugh
Brewin
Butland
Campbell (South West Nova)
Catterall
Chrétien
Clancy
Clifford
Copps
Crawford
Dingwall
Dionne
Duceppe
Finestone
Fontana
Foster
Funk
Gaffney
Gagliano
Gardiner
Gauthier
Harb
Harvard
Harvey (Edmonton East)
Heap
Hopkins
Hovdebo
Jordan
Kaplan
Kilger (Stormont--Dundas)
Langdon (Essex--Windsor)
Lapierre
Laporte
LeBlanc (Cape Breton Highlands--Canso)
Lee
MacDonald (Dartmouth)
MacLaren
MacLellan
MacWilliam
Manley
Marchi
Marleau
McGuire
Mifflin
Milliken
Mills
Nault
Nunziata
Parent
Parker
Peterson
Prud'homme
Rideout
Riis
Rodriguez
Scott (Hamilton--Wentworth)
Skelly (North Island--Powell River)
Speller
Stewart
Taylor
Thompson
Tremblay (Rosemont)
Venne
Waddell
Walker
White
Wood
Young (Acadie--Bathurst)--81

PAIRED--MEMBERS

nil/aucun

The Acting Speaker (Mr. DeBlois): I declare the motion agreed to.

Bill read the second time and referred to the Standing Committee on Consumer and Corporate Affairs and Government Operations.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, on a point of order. A few days ago, you agreed to take under advisement the issue of authorizations for travel expenses. This is a very important matter for all members of this House, also because of the attendant privileges. I want to ask the Chair when it intends to give a ruling on this matter. The committee continues to travel, but we don't know what the rules are. Could the Chair offer some clarification?

The Acting Speaker (Mr. DeBlois): I think the House already gave its unanimous consent on the motion for travel expenses and the Speaker already gave a decision, so there is no reason to reconsider.

Mr. Lapierre: Mr. Speaker, I know the Speaker is infallible but perhaps I may remind him that the other Speaker who sits in the same chair from time to time promised me and other members, including the hon. member for Mégantic--Compton--Stanstead, that he would rule on the appropriateness of trips paid for the New Democratic Party which considered itself on staff.

The Acting Speaker (Mr. DeBlois): I thought the hon. member was referring to the transport committee. If I am not mistaken, this is about the committee on the government of Canada's proposals for a renewed Canada. In that case, the question is still under advisement and I have had no indication when the Chair will give its decision.

[*English*]

Mr. Dingwall: Mr. Speaker, I would hope just as a courtesy that the Chair would notify the respective House leaders prior to the announcement of that particular decision so that we could be here in the Chamber to understand fully and appreciate the Chair's ruling.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair has taken careful note of the comments of the Leader of the Opposition in the House.

* * *

[*English*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, pursuant to Standing Order 83(1), I have the honour to lay upon the table a copy of the notice of a ways and means motion to amend the Excise Tax Act and other legislation respecting the implementation of the goods and services tax. I ask, pursuant to the provisions of Standing Order 83(2), that an Order of the Day be designated for the consideration of the said ways and means motion.

* * *

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, as reported (with amendments) from Legislative Committee H.

The Acting Speaker (Mr. DeBlois): The Speaker has already made an important ruling on the conduct of the debate at report stage of Bill C-17.

The Chair was given notice by the hon. member for Haldimand--Norfolk that he did not intend to present his Motion No. 1.

We therefore move to the second stage of this debate, on Motions Nos. 2, 29A, 36B, 47A, 30, 35, 31.

[*English*]

These motions are grouped for debate and will be voted according to the Speaker's ruling.

[*Translation*]

Hon. Jake Epp (for the Minister of Justice and Attorney General of Canada) moved:

Motion No. 2

That Bill C-17 be amended in Clause 2

(*a*) by striking out lines 17 and 18 at page 1 and substituting the following therefor:

"2.(1) The definitions "antique firearm", "firearm" and "firearms acquisition certificate" in subsection 84(1) of the";

(*b*) by adding, immediately after line 15 at page 2, the following: ""firearms acquisition certificate" means a firearms acquisition certificate issued by a firearms officer under section 106 or section 107;".

[*English*]

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke) moved:

Motion No. 29A

That Bill C-17 be amended in Clause 18

(a) by striking out lines 29 and 30 at page 22 and substituting the following therefor:

"sition certificate and a fee of seventeen dollars does not, after considering the";

(b) by striking out lines 18 to 20 at page 23 and substituting the following therefor:

"(b) the fee referred to in subsection (1) shall be reduced to ten dollars."

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert) moved:

Motion No. 30

That Bill C-17 be amended in Clause 18 by striking out lines 9 to 20 at page 23.

Mr. Ian Waddell (Port Moody--Coquitlam) moved:

Motion No. 31

That Bill C-17 be amended in Clause 18 by adding immediately after line 20 at page 23 the following:

"(1.3) The local registrar of firearms, firearms officer or other person may require as information to be submitted by an applicant for a firearms acquisition certificate or permit details concerning the makes or serial numbers of firearms."

Mrs. Pierrette Venne (Saint-Hubert) moved:

Motion No. 35

That Bill C-17 be amended in Clause 18 by striking out lines 31 to 33 at page 26 and substituting the following therefor:

"sioner, shall have a photograph of the holder".

[*English*]

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke) moved:

Motion No. 36B

That Bill C-17 be amended in Clause 19, in the French version, by striking out line 8 at page 28 and substituting the following therefor:

"tion d'armes à feu faite par une personne visée au paragraphe (1)."

Motion No. 47A

That Bill C-17 be amended in Clause 27 by striking out lines 24 and 25 at page 35 and substituting the following therefor:

"for certificates mentioned in section 106, 107 or 109 or for permits mentioned in subsection."

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, I am pleased today to speak on Bill C-17, which we have been studying for several months, originally as Bill C-80.

Motion No. 30, to delete lines 9 to 20, simply aims to avoid the renewal of firearms acquisition certificates. I ask that firearms acquisition certificates not be renewed, because renewals make it possible to avoid the 28-day period.

Also, the renewal would cost half as much as the original firearms acquisition certificate. Since the certificate would cost $50, renewing it would cost $25. People who buy firearms spend on average $500 and often more so they should not have us believe that $25 or $50 for a firearms certificate is too much.

• (1540)

Therefore, I believe that firearms users must pay for their sport, because hunting or target shooting is supposed to be a sport. I think users should pay for their sport.

The Legislative Committee on Bill C-17 heard many things. It heard people who came to testify, and I must say that many of these witnesses told us about the quality of life. I would simply like to mention a few associations that told us about quality of life. I will not give a complete list, but I must say that we got great support from the Canadian Association of Chiefs of Police, the Canadian Criminal Justice Association and the Federation of Canadian Municipalities. I have a very long list that it would be too tedious to read here, but I think it is important to tell the general public that we did get a lot of support.

Quite often, those who were opposed to any amendment and even to Bill C-17 itself were unfortunately Conservatives who basically did not support their minister.

Why did they act that way? They told us that it was because there is a very big difference between urban and rural ridings and that separate legislation was needed, which of course does not make any sense in law. In fact, the Canadian Bar Association told the Committee just that. Nevertheless, those arguments were made.

I now turn to my Motion No. 35. To make it easier to follow, I will show you. We heard all kinds of illogical and silly arguments, but in this motion, I simply ask that a photograph be attached to the firearms acquisition certificate. In fact, that is what we were promised, but unfortunately, this is what we have now from the Legislative Committee. The bill says--and I will tell you exactly what I want to change--that a firearms acquisition certificate must be in the form prescribed by the Commissioner and shall, unless the Commissioner deems otherwise, be accompanied by a photograph of the holder.

As an argument against this provision, we were told that there were people whose religion prohibited the taking of photographs. They cannot be photographed because of their religion. That is the argument that was used against that provision.

Mr. Lapierre: Which religion?

Mrs. Venne: So I asked what religion it was. I really do not know which one. I must admit my ignorance, but I think that if there is a religion in Canada that forbids photographing its members, it should be mentioned, because I do not think that there are many of them.

Mr. Lapierre: Can its members be drawn then?

Mrs. Venne: My colleague asks if drawings are all right. That might be a good suggestion to make. That is why I wanted to tell you that we received some rather strange proposals which, unfortunately, have led to the legislation before us.

It would be much simpler to specifically mention that religion, since its followers must certainly be proud to practise it. It would also be interesting to know how many people belong to that faith in Canada. We are not going to pass an act that supposedly applies to everybody but in the end only applies to some exceptions, unless it is an indirect way of not having a photograph attached to the firearms acquisition certificate. I certainly hope that is not the case. The Firearms Control Coalition and others, asked for stricter control and the use of photographs as identification for buying a firearm or ammunition.

I proposed that amendment, which was rejected on the grounds that it was not in accordance with the spirit of the bill. According to the Chairman, it was out of order. They rejected the idea that firearms acquisition certificates be used when buying ammunition. If certificates are required for buying firearms, they should always bear a photograph, as we requested, since it is well known that people exchange certificates to buy firearms. That was the purpose of that motion.

Of course I do not think that we should criticize everything in the bill since it is a step in the right direction, but I must say that it is only a step.

An hon. member: A small step.

Mrs. Venne: A small step indeed. We also asked that every firearm be registered. That procedure could have been implemented in the near future. We did not ask for registration of all the firearms that are presently in Canada. We asked that this registration process start at a future date, on January 1, 1993. This amendment was also rejected because apparently it went beyond the scope of the bill.

Unfortunately I think that we disappointed quite a few people that way. In our opinion, this is an important measure and it will have to be implemented eventually. This government will not do it. Unfortunately it is not the Conservative government that will do it. It will be another government that will take credit for it then. Too bad for those people; they will not be able to take advantage of the situation. The field is open right now. Everybody wants it.

An hon. member: They need something to their credit.

Mrs. Venne: They sure do. That is what I am told here, but that is another matter. Maybe. In concluding, we would have liked more improvements to Bill C-17, but of course, we will have to content ourselves with what little we have now since, as I said, this is all that we were able to get.

[*English*]

Mr. Ian Waddell (Port Moody--Coquitlam): Mr. Speaker, I thank my friend for yielding.

I rise to speak at the beginning of what I believe is an historic debate. This is on gun control. As members know, this is the second bill this year. We have had a lot of committee meetings in which all members have participated and we have had a lot of give and take in this House on this bill.

I know people see some things that go on in the House and on TV but behind the scenes there is a lot of work. Many members, including the one who just spoke, members of the Liberal Party and government members, have put a lot of effort into this bill.

The country is watching today because there is a lot of interest in this.

[*Translation*]

Mrs. Lapointe-Edwards is here. She lost her daughter in the massacre at the Ecole Polytechnique in Montreal.

[*English*]

She has shown great courage in following this bill through until today and so have other people. Everybody has good motives, I believe.

The New Democratic Party has tried to have one constant position throughout and it is that we are in favour of strong but effective gun control. We do not want a bureaucracy that will hurt genuine hunters, trappers, competition shooters and even collectors. But we do want effective gun control.

Canada is not the United States. This country was settled peacefully and it was settled without the use of guns. That is part of the Canadian culture and all members of this House and all Canadians share that.

Therefore we welcome the bill. I would just like to state briefly what the bill does.

• (1550)

Just to summarize what the bill does, it prohibits automatic weapons that have been converted to fire in a semi-automatic form. These guns have flowed into Canada in the last few years. There are about 50,000 of them in the country. Unfortunately they are grandfathered in this bill--that means people can keep them--and we will discuss that later on. We have some amendments about that. But the fact is that these guns have no place in hunting or any legitimate purpose. They are military guns and the government is moving to prohibit them.

Second, the legislation prohibits or restricts semi-automatic military assault rifles. It is going to be done by regulation. It is not dependent on this bill and we will be waiting to see these regulations. We do not want to see the Rambo culture in Canada. These guns are increasingly being imported into Canada and we want to pursue this in the debate that is going to follow today.

Third, there is a prohibition on large capacity magazines. As I understand it, semi-automatic handguns will have a ten-shot limit and centre-fired semi-automatic rifles and shotguns will have a five-shot limit. We will be discussing this as we go along. I remind the members that the large capacity magazine that Marc Lepine used enabled him to kill more people and that might have been prevented.

Fourth, this bill also changes the firearms acquisition certificate screening process to improve the screening so we will know that people who get guns are legitimate gun owners, not crazies or criminals. So there will be an improvement of the screening process.

Fifth, there will be safe storage in the bill. We are going to try to define that and deal with it so that someone does not store a gun unsafely and his or her teenage kid in a fit of depression gets the gun and commits suicide. We had 1,100 cases like that in Canada last year.

We are going to have tougher penalties in this bill to try and deal with criminals who misuse firearms. I think all of us are in favour of that and we want to improve that.

Finally, there will be a parliamentary review of these regulations. We will get back to this.

This is a modest proposal. My first amendment deals with the matter of the firearms acquisition certificate. We have the technical ability and we have witnesses who came before the committee and asked why we do not now register guns on a firearms acquisition certificate. This could be done when people buy guns so we know where all future guns are and how many we have in the country. We could trace lost or stolen guns and so on. That is what we propose to do.

There has been an awful lot of opposition to that in the country and the government has not accepted that. It is not in this bill. That is why it is a modest bill.

But I say to the government, to other members, to hunters and people who have opposed this; let us look at the broader picture. It is not going to hurt legitimate firearm owners. We want to get at the illegitimate firearm owners and we want to have a strong bill. I hope that we will see a future bill that will include firearms acquisition certificates so that there is a form of registration of guns when they are bought. I hope the members will adopt my amendment. I am not holding my breath but I would like to see that in the bill.

I have outlined what is in the bill and why it is a modest proposal. I think it could have gone farther and I am going to introduce amendments today. It could have dealt with controlling ammunition and tougher criminal sanctions. It could have nailed down a bit more what the parliamentary scrutiny is on the bill. It could have dealt with getting regulations before the House. Most of this bill will be in the regulations. We would like to see the regulations before the House to see what is in the bill.

The government has set up a system wherein there will be control through regulations. It will be vetted by the Firearms Board Advisory Council and the House of Commons, so legitimate hunters need not worry.

I just want to end by saying that I believe Canadians are for gun control. I believe Canadians want strong gun control. They want effective gun control. They understand that this is part of Canadian culture, that this is a peaceful society. I believe events have shown that we need that. We want no more incidents of the Marc Lepine type. I know they are impossible to really prevent but gun control works.

It worked after the first bill in 1976. I predict it is going to work after this bill and we should fight to further strengthen it.

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke): Mr. Speaker, I want to follow on what the last member has said.

I think that everyone in this House in a responsible way supports the safe use of guns and the control of guns in society.

In our society today we have to be really tough if we are going to control it. It seems to me that it does not matter how well we make up legislation in this House, it is never going to be enough to do a very difficult task. But if we do not start somewhere we will not get anything done.

I want to say a word today on my amendment with regard to the cost of firearms acquisition certificates. Members who sat on the committee and in this House will know that this has been a big issue.

My main concern is the case of the farm community where there is an outbreak of rabies or predators such as wolves. The farmer may have to go out to buy a rifle for the first time in his life.

It is going to cost him $50, a figure that is being thrown around, although we know it is not cast in stone. That gun will be used on the property for the legitimate purposes of protecting animals and the health of people and other animals on the farm.

Here you have a legitimate reason for buying a gun. I guess my feeling is that I see people like that paying for the over-all program when actually they need it for their own particular way of life. They are legitimate arms owners and they are certainly going to be no problem to society.

Similarly, I had another amendment that was not accepted on the compensation for collectors of firearms who find out after the regulations come in that they have a firearm that is illegal. These firearms collectors have collected these items during times when it was legal for them to do so. Some have put out quite a lot of money for their collections.

They are going to have to give up those firearms without any compensation within a certain period of time. After that they will be in illegal possession of those firearms.

The reason behind my submission of that particular amendment was that I think there is a far greater chance of gun collectors declaring what they have in their collection if they are going to get some compensation for the weapons they have collected over the years.

There might be a tendency not to turn them in if they find out they are not going to get any compensation for

them whatsoever. That was the real intent behind the particular amendment that has not been accepted.

The amendment to Bill C–17 which I put down with regard to the cost of firearms acquisition certificates does specify the amount to be paid by applicants for the reasons which I have mentioned.

I felt it was unfair to charge people who need guns because of their way of life whether they are farmers, hunters, trappers or whatever.

• (1600)

They are honest citizens going in to purchase firearms acquisition certificates, whereas we will have other people of course who will not do it in that way. The criminal element is certainly not going to do it in a fair and open way.

At the present time Bill C–17 stipulates that the Crown will determine the cost of firearms acquisition certificates and renewals by regulation. The only requirement is that the firearms acquisition certificate renewals must be one–half the amount of the firearms acquisition certificate application fee.

The government has provided figures of $50 for firearms acquisition certificates and $25 for renewals, which is rather steep when they become a necessity. These figures are not set in stone and can be changed by the Governor in Council. The Governor in Council could virtually increase it beyond this amount for people who require firearms in the daily routine of their lives.

By amending clause 18 of the bill, the amount paid for firearms acquisition certificates will be specifically set at $17. The fee for firearms acquisition certificate renewals will be set at $10. If this amendment is adopted the Governor in Council will have to introduce legislation in order to change the amounts charged for firearms acquisition certificates and renewals.

This is to protect that group of people on whose behalf I have argued before who should not have to pay the full amount because guns are used in their way of life. I am thinking of the farming community today and farmers certainly do not have an abundance of cash. They are having a very difficult time out there and you do have times when rabies become very prominent in certain regions. Today there are problems out there with wolves attacking animals on farms. So it seems to me that we are adding an extra burden to people in a particular occupation in this country where their overhead and costs are already extremely high.

Clause 19 of Bill C–17 authorizes the Governor in Council to issue firearms acquisition certificates to people who are under 18 years of age. This clause is perhaps included in the bill to address the concerns of the native community.

This proposed amendment to clause 19 specifies that the application fees for firearms acquisition certificates and the renewal thereof for this group of people, will be $17 and $10 respectively, rather than being subject to regulation. This proposed amendment to the bill provides uniformity in the fees for firearms acquisition certificates and renewals.

Therefore my representations today, as I have said, are really aimed at the people who may need a new firearm by necessity: farmers, hunters or other people who need them in their regular way of life.

I have no sympathy whatsoever, as nobody has in this House, for those who try to abuse the system by gathering up firearms without following the law of the firearms acquisition certificate.

We in Canada have always been very responsible in the way we have handled these issues. I want to compliment our critic for the fair way he has handled this bill in committee and others who brought forward the representations of people across this country. I think it has been a very open discussion on the part of all members of Parliament. Those of us who come from large rural ridings, and I include my colleagues from northern Ontario, may have somewhat different views on some of these issues but that is because of our backgrounds. I think in the final analysis of the passage of this bill it behoves all of us to have a very responsible piece of legislation that is going to aim at the criminal––

The Acting Speaker (Mr. DeBlois): The hon. member's time has expired.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I want to make some comments with respect to the seven motions that are before the House at the present time. Before doing so I want to agree with the member for Renfrew––Nipissing––Pembroke that this has been an open process. It has been a very productive process. There has been a great deal of consultation and study by parliamentarians on this bill. It has been amended a number of times since we first saw it in its

first incarnation as Bill C-80 and I think the bill before us is certainly a more effective bill.

The seven amendments that are here refer specifically to the firearms acquisition certificate. I do not want to let my comments trail off into other areas of the bill. I would be pleased to talk about them as they arise through the amendment process but we are dealing here with the firearms acquisition certificate.

When I first began meeting with individuals and sitting in on discussions that the Minister of Justice had with national groups from across this country everyone said the same thing. There are problems with the firearms acquisition certificate. That is the one thing people were unanimous on.

I remember one group pointing out to the then Minister of Justice, Mr. Lewis, that the form does not even provide for a change of address. Obviously that is a problem. I believe there was not enough of a security component within the firearms acquisition certificate process as well. I think there are problems with the fee schedule which was written in 1978 and was written right into the bill.

Parliament does not tackle these bills every year, and perhaps for good reason, but writing in an amount I think is a bad idea.

We have made a number of changes through the FAC and I think all of them improved the situation. One of them, as the hon. member for Saint-Hubert mentioned, is the requirement in the general case that photographs be required. She mentioned the fact that it is not an absolute requirement that every FAC have a photograph and she asked under what circumstances there would be exceptions. She mentioned at committee stage she heard there was one religious group who objects to photographs. For her information I believe it is the Hutterites.

There was another reason we did not make it absolute in the bill. It may be very difficult particularly in the northern section of Canada. Camera equipment may not be readily available and it may be a situation in Canada's far north where the hunter or the individual would be well enough known that there would be no question as to that person's identity.

It was for those reasons that there was not the absolute requirement but we would expect that in 99-point-something percentage of the cases we would have photographs, and it is a good idea. I do not think individuals who have it will mind because it protects them as well in case their firearms acquisition certificate is stolen.

• (1610)

These amendments are coming from two different areas. The hon. member for Saint-Hubert asked why there was a reduction in the fees upon renewal. She questioned the whole renewal process in one of her amendments.

The member from the Liberal Party who just spoke questioned why the fee was set at $50. As I indicated at the committee, $50 is what the Government of Canada believes is its cost in administering this program. We try to operate a number of these things on a cost recovery basis to the extent possible. It is our belief that $50 will pay for the system.

As good a Conservative as I am, I certainly agree with efforts by the government to try and balance its books on as many programs as possible.

I should indicate to hon. members that the cost of the registration of restricted weapons which is also part of the firearms regime, although not specifically addressed in these amendments or the bill, is borne by the Canadian taxpayer. The cost of registering restricted weapons comes out of general revenue.

The firearms acquisition certificates are on a cost recovery basis. It is our belief that it is about $50. A number of colleagues at committee said: "Look, we want to keep people within the system. We want to provide an incentive for those who have an FAC to renew it". There is no requirement that a person renew their FAC. However if we waive the waiting period for those individuals who do have a valid FAC and are renewing theirs and charge a reduced fee we encourage people to stay within the system. We think that is a a good idea and the committee adopted that as well.

My hon. friend in the New Democratic Party from Port Moody--Coquitlam asked: "Why not tag in a registration system?" I do not want to accept an amendment that puts in a registration system without having everything that might go with it if that is the direction we want to go in.

The amendment he has would only require the local firearms officer to register the firearm. I am not quite sure what that would give us. I do not see any requirement there for a person moving to another jurisdiction. There is no central retrieving system and no provision here to pay for that kind of a system.

Just because this might ultimately make sense to some members I do not want to tag in an amendment here. It would require an enormous administrative task for very little gain if this was hooked into some national system, but that is not what the amendment says. I think there would have to be a lot more thought given to it. The firearms acquisition certificate would be changed to something different. It is not a possession certificate, it is an acquisition certificate.

We could argue whether a person should have a valid FAC just to possess a firearm. We could argue about that for the rest of the afternoon but that is not the regime that was set up in 1978 and is not part of the regime which we have modified at the present time.

That in sum is where we are going with the FAC. I think it is a dramatic improvement. There is one comment that the hon. member for Renfrew--Nipissing--Pembroke made that I want to draw to the attention of the House.

He mentioned the case of the individual who may not be able to afford the $50 and what about him? Although it is not in Bill C-17 it continues to be part of the law of Canada. The Criminal Code states, and I will read the section: "That no fee is payable in respect of a firearms acquisition Certificate that is issued to a person who requires a firearm to hunt or trap in order to sustain himself or his family".

That is the wording in that section. There is provision for exemption for those individuals who hunt for a living. I would not want to leave an impression that there was no provision. It is a reasonable package.

I know I only have one minute. Section 2 which I do support is a technical amendment by the government which tightens up the description of an FAC and eliminates one of the definitions of an FAC that has not been of use or of benefit to us in the past 12 years.

I am urging hon. members to accept Motion No. 2 and to reject the other six that are proposed at this time.

[*Translation*]

The Acting Speaker (Mr. DeBlois): 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 Restigouche--Chaleur--Canada Post; the hon. member for Drummond--Imported Carpeting; the hon. member for Prince George--Bulkley Valley--Trade; the hon. member for Saint-Léonard--Paper Industry; the hon. member for Cape Breton--East Richmond--Unemployment Insurance.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): 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 (Mr. DeBlois): The next question is on Motion No. 29A.

[*Translation*]

Is the House ready for the question?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): Excuse me, we will proceed with the vote on Motion No. 30, and the results will apply to Motion No. 35.

All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please say nay.

Some hon. members: Nay.

Some hon. members: On division.

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

I declare the motion lost, on division, and the vote also applies to Motion No. 35.

Motion No. 30 negatived.

[*English*]

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 29A, which will apply to Motions Nos. 36B and 47A.Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

• (1620)

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

Some hon. members: Nay.

Some hon. members: On division.

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

Motion No. 29A negatived.

The Acting Speaker (Mr. DeBlois): The vote also applies to Motions No. 36B and 47A.

Mr. Ian Waddell (Port Moody--Coquitlam) moved:

Motion No. 31.

That Bill C-17 be amended in clause 18 by adding immediately after line 20 at page 23 the following:

"(1.3) The local registrar of firearms, firearms officer or other person may require as information to be submitted by an applicant for a firearms acquisition certificate or permit details concerning the makes or serial numbers of firearms."

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

Some hon. members: On division.

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

Motion No. 31 negatived.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Motions Nos. 3, 8, 22, 28, 29, 33, 34, 37, 52 and 61 are all grouped together for the purposes of debate.

Hon. Benoît Bouchard (for the Minister of Justice and Attorney General of Canada) moved:

Motion No. 3

That Bill C-17 be amended in Clause 2, in the French version, by striking out line 28 at page 2 and substituting the following therefor:

"pour ne tirer qu'un seul projectile pendant la durée d'une pression sur la détente;".

Motion No. 8

That Bill C-17 be amended in Clause 2, in the French version, by striking out line 26 at page 3 and substituting the following therefor:

"véritable collectionneur d'armes à feu" particulier qui possède ou vise à acquérir".

Motion No. 22

That Bill C-17 be amended in Clause 11, in the French version

(*a*) by striking out lines 21 to 23 at page 12 and substituting the following therefor:

"(1.2) Dans l'appréciation de ces circonstances, le tribunal prend en compte:";

(*b*) by striking out lines 12 to 14 at page 13 and substituting the following therefor:

"selon le cas, rendre une ordonnance, en sus de toute autre peine applicable, enjoignant au contrevenant de remettre".

Motion No. 28

That Bill C-17 be amended in Clause 17, in the French version, by striking out line 21 at page 20 and substituting the following therefor:

"vente en gros ou au détail, l'entreposage, l'importation, la réparation, la modification ou".

Motion No. 29

That Bill C-17 be amended in Clause 17, in the French version, by striking out line 9 at page 21 and substituting the following therefor:

"lés à un registraire local d'armes à feu ou à un".

Motion No. 33

That Bill C-17 be amended in Clause 18, in the French version, by striking out line 13 at page 24 and substituting the following therefor:

"l'ordonnance, le cours et l'examen prévus au".

Motion No. 34

That Bill C-17 be amended in Clause 18, in the French version, by striking out line 20 at page 26 and substituting the following therefor:

"liale, et aux fins de son enquête, interro-".

Motion No. 37

That Bill C-17 be amended in Clause 19, in the French version, by striking out line 8 at page 28 and substituting the following therefor:

"tion d'armes à feu faite par une personne visée au paragraphe (1)".

Motion No. 52

That Bill C-17 be amended in Clause 31, in the French version, by striking out line 19 at page 37 and substituting the following therefor:

"inclure dans l'ordonnance une condition".

Motion No. 61

That Bill C-17 be amended in Clause 38, in the French version, by striking out line 38 at page 44 and substituting the following therefor:

"lés sans délai à un registraire local d'armes à".

The Acting Speaker (Mr. DeBlois): The debate will be on these various motions.

[*English*]

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I suppose that of all the amendments we might have the least amount of debate on these. These are technical amendments to assure that the French and English versions of the bills are as exact as possible. Many of them were recommended by Mr. Claude Ryan, the Quebec minister responsible for this area, and the technical analysis of the bill recommended a number of these changes.

We strive as always to have the bills conform in both official languages so that they both say the same thing, and these amendments accomplish that.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, unfortunately what we have here is just a few technical amendments proposed by the minister. We had hoped the minister would do better than that.

We are well aware--and this was clear from the proceedings of the legislative committee, and especially the actions of the government's chief Whip, which were in fact criticized by one of the members--that the majority has unfortunately left the Minister of Justice very little leeway.

Sometimes we get the impression that the Prime Minister would rather travel abroad and talk about disarmament and human rights instead of supporting his Minister of Justice within his own party, to meet the minimum demands of those Canadians who are anxious about public health and support genuine gun control.

The process has shown how a very broad consensus evolved in Canadian and Quebec society, not only among the people directly concerned but also, for instance, among all public health authorities in Quebec, who intervened on numerous occasions before the committee, first before the special committee and later before the legislative committee. Every time, the bill was improved a little more.

After the hearings of the Special Committee, there was an improvement, assessed at about 10 per cent of what people were asking. On the legislative committee some elements were further clarified, but we obviously have a long way to go, because the technical amendments now before the House contain no reference at all to the public health problem. This bill is still essentially based on the concept that we have the right to possess arms and that our freedom should be restricted as little as possible, and I am referring especially to the desire for minimal controls on people who possess arms in a civilized society.

Why object to the registration of all firearms? This would be a way to find out how many firearms there are in Canada. At the present time, no one knows how many firearms we have in this country. This would help us find out who the owners are.

Is it too much to ask, Mr. Speaker, considering that not only most unfortunate and painful incidents are caused by some deranged people but also that often guns are known to be used to commit suicide.

Quebec health care officials spoke at length of this issue before the committee. Yet, nothing in this bill would make it possible to initiate an education process to focus on the fact that it is a privilege to own a gun and that in a civilized society such a privilege is to be exercised with some restraint.

• (1630)

I just cannot understand why the minister was unable to convince her caucus of this obvious fact, especially after the whole process the committee has gone through.

There have been some improvements, for instance in the definition of the genuine gun collector, and I think that, in that respect, it is going in the right direction.

But another fundamental aspect of this bill has gone unchanged: it promises a number of things that can only come through when regulations are made, which means going to an advisory committee which, I am told, is made up for the most part of people who consider guns as very important.

So, we will have to wait for the regulations to know if the minimum set in this bill will indeed be reflected in them and implemented by the government. It is this second aspect of the bill that makes us somewhat sceptical. Basically, the provisions of this bill are telling us that, yes, we are taking a step forward, but in order to see if this step was indeed taken you will have to wait for the government regulations.

In this respect, one particular part is most unfortunate, the part dealing with prohibited firearms. We will still have to decide if such and such a firearm is prohibited, when based on technological advances and all that we could have really protected the public. Instead, we will have to wait for more unfortunate incidents to happen before designating a particular type of firearm as prohibited.

A much simpler and more normal way to go, as in the case of drugs and various hazardous goods, would have been to start by controlling the sale of firearms and ammunition. Then, it would have been possible to allow only those deemed to meet the legal criteria to be sold, instead of acting after the fact. How many of these firearms will have been sold by then?

It is especially important in the Canadian context, because of our proximity to the United States where arms are in wide circulation. We are asking our customs officers at the border to determine whether or not a weapon is prohibited. We are in fact asking them to become weapons experts on top of everything. Customs officers came to testify before our committee. They said: "We already have trouble controlling. The controls must be made much simpler". It would have been very easy to say: "Here are the allowed weapons and all those that are not on the allowed list cannot be imported. If you want to import them or sell them in Canada or Quebec, you will first have to obtain permission and know for sure that this weapon satisfies criteria acceptable under the law".

Now we will intervene after the fact; we will act when unfortunate incidents occur and public opinion demands that we take another step forward. The minister told us that she expected it to happen in future, but that the attitudes of our MPs. Unfortunately it holds true for many members on this side of the House. We will see other amendments that were proposed to further diminish the bill as presented.

I think that despite the minister's efforts, it is very clear to us that she was unable to assert leadership and have the support of her Prime Minister and Cabinet colleagues to convince the members of her caucus to go further and come up with a minimum acceptable to everyone who is concerned with public health and protection.

I am convinced that most hunters, who in order to have the right to exercise their hunting privilege accept far greater restrictions than registering their weapons, would have quite willingly accepted being required just to register their weapon.

Hon. Jean Lapierre (Shefford): Mr. Speaker, I must say something about these insignificant amendments proposed by the minister. My colleague from Rosemont, and particularly the hon. member for Saint-Hubert, have both examined this bill in detail and they spent many hours listening to different groups across Canada, especially from Quebec. I want to congratulate them because their convictions did not change when they changed affiliation. I know that these members, who were extremely active when they were in the Conservative caucus, have done everything to convince the government to take stronger measures. Today again, they continue to defend those who believe in stricter control of firearms.

It is obvious that a superpowerful lobby has neutralized many of our colleagues who claim that they support public safety, that they sympathize with the unfortunate victims and their families, but who will only make a very timid effort to push for limited gun control. Unfortunately we are in a situation where a small step is better

than nothing at all, and even though we have strong reservations about this bill as a whole and think it does not go far enough, we are convinced that other amendments will have to be made very soon. After each incident, we will rise in this House to demand more amendments, and each time, the government will be on the defensive and will lengthen the list of prohibited weapons.

In fact, the reactive approach of the government makes it look as though we are trying to pull teeth. The government never fails to put itself in an impossible situation. I do not at all understand how the minister goes about her duties as Minister of Justice. Instead of following a pure, simple and clear principle to the effect that all firearms be registered, and then make exceptions, she takes the opposite approach and that explains the reluctance of the government to do anything in that field.

I would hope that this is not the result of the American influence. I would hope that they will not claim that the urban and rural realities are so different as to justify being so cautious with each detail of the bill, especially so as not to displease superpowerful lobbies.

As far as I know, the value of life is the same, whether one lives in the country or in the city. The same emotions are stirred and the same troubles ensue when firearms are misused in the city or in the country. A bullet is as deadly in the city as it is in the country.

When I hear this so-called lobby claim that it speaks on behalf of rural Canada, I am sorry but I think the problem is being misplaced. It is because the government is trying so hard not to displease anybody that we get this kind of legislation, a bill that lacks firmness and which essentially takes a backward approach. This is obvious to everyone. Almost 80 per cent of Canadians expected far stricter legislation. People respect athletes but respect law and order even more and do not want violence across this country.

• (1640)

Recently I was listening to a report on various gangs in Montreal who said that they used to settle their scores with their fists. It was not very civilized, but it was not as bad as a gunshot. In fact, the leaders of these communities and these gangs said that now it was a lot more effective. Once they settled their scores, they stayed settled.

This legislation has no backbone. It will do nothing about the problems caused by various criminal acts. I think it is sad for all those people who spent so much time and energy during the past two years, struggling to make the government understand that we wanted to live in a society that was as peaceful as we could make it, that we wanted to ensure that firearms did not lie around in the back of the trunk of just about anybody's car at any time.

We wanted to ensure our children would be safe at night. We wanted to give life and ourselves the best possible break. But today we have a bill that tries to give people the best possible opportunity to possess arms. We think this is unacceptable, but like all Canadians we have to consider: What do we do? We have a government that has no guts. It is willing to move a little, no more. Then we have a choice: Do we vote against this bill? If the bill is defeated, all we have left is the law of the jungle, more or less.

So we are all in a difficult position as parliamentarians. We feel they lacked the courage of their convictions, that they lacked principle, but at the same time we are stuck with voting in favour of the bill, because a bird in the hand is worth two in the bush. We are really stuck. What worries us is that the government will probably use our support during the final vote on this bill to claim there was a general consensus in the House. There is no such thing. Unfortunately we are all more or less being held hostage, like the rest of Canadians. I want to pay tribute to all those people who did everything they could to try and convince the government to do more.

Earlier the hon. member for Saint-Hubert mentioned several groups. We all had visits from people of principle who wanted to tell us about some of their tragic experiences, often as a result of improper use of firearms. As parliamentarians we all had a chance to see how earnestly these men and women become involved in the parliamentary process, as every good citizen should.

Unfortunately, their demands fell on deaf ears. It is sad, because I have seldom seen so many men and women in the general public speak up about a problem that concerns them all personally.

An hon. member: Like the GST.

Mr. Lapierre: My NDP colleague mentioned the GST. Yes, I suppose so, but although the GST may hurt, it does not kill. I do not think we can compare the two. However, the minister turned a deaf ear to the concerns of these people. I realize she had problems in caucus, but I fail to understand the Prime Minister. We know he has some influence on his caucus. After all, at this point, if he can hold his caucus together, he must have some influence.

I do not understand why he did not use this influence precisely to bring in stricter amendments with more teeth in them to ensure that the registration of guns and rifles would be included as well as the sale of ammunition. Why has the Prime Minister not convinced his caucus to accept without exception the prohibition of military weapons and their elimination?

We have now reached the end of this debate which is so important for our safety and for that of our fellow citizens. I urge the government once again to show a little heart, a little compassion for what is really happening on our streets in Canada, and to come to its senses and listen to the voice of sensible Canadians and not only to the weapons lobbies.

Mr. Ian Waddell (Port Moody--Coquitlam): Mr. Speaker, I would like to say a few words on this group of amendments. I heard the speech by the hon. member for Shefford, Quebec and I agree with some of what he just said, but not all. I am in the same position as he is.

I learned of the petition that came from Montreal, Quebec, signed by 700,000 people after the massacre at the Ecole Polytechnique. At every meeting our committee held on this bill, I heard witnesses from Quebec, doctors, police officers and social workers, tell us that there is a problem with firearms. In my opinion this bill is not very strong, but I understand that Mrs. Edwards and the Ecole Polytechnique students' association in Montreal are for this bill. In committee we proposed amendments, some of which were accepted by the government. Personally I would have liked the government to accept more amendments, but I must accept the reality of this situation. I say to members from Quebec that we must continue to insist on having more amendments accepted and other changes made in another bill, perhaps.

As I said in my first speech, much of this bill is already in the regulations. We can continue to work with groups, students, the Ecole Polytechnique, Mrs. Edward, Mrs. Turcotte, Heidi Hodgin and other groups in Quebec, and to work hard. I must tell the hon. member that I said something quite amazing: people from Montreal, Toronto and Vancouver worked together. Not on the Constitution or anything else but on controlling firearms. It was all done together, which is quite amazing. We must continue with the regulations and insist that the system be strengthened.

• (1650)

I think that we can do it and, as I said, I agree with the hon. member who spoke. I am in the same situation. We can see that it is not a very good bill, but it is acceptable. That is why we will vote for this bill.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 3.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 3 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 8.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 8 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 22.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 22 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 28.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 28 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 29.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 29 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 33.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 33 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 34.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 34 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 37.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion adopted.

Motion No. 37 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 52.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the Motion No. 52 adopted.

Motion No. 52 agreed to.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 61.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the Motion No. 61 adopted.

Motion No. 61 agreed to.

The Acting Speaker (Mr. DeBlois): In accordance with the Speaker's ruling we will now proceed to the consideration of Motions Nos. 4, 11, 17, 54, 55, 57 and 62 and of Motions Nos. 53 and 58 which are grouped for debate.

[*English*]

Mr. Robert D. Nault (Kenora--Rainy River) moved:

Motion No. 4

That Bill C-17 be amended in clause 2

(a) by striking out lines 32 and 33 at page 2 and substituting the following therefor:

"amended by repeal--;"

(b) by striking out lines 43 to 45 at page 2 and substituting the following therefor:

"prohibited weapon;";

(c) by striking out lines 39 to 42 at page 3.

Motion No. 11

That Bill C-17 be amended in Clause 4

(a) by striking out line 30 at page 5 and substituting the following therefor:

"described in paragraph (c) or (e) of the";

(b) by striking out lines 37 to 44 at page 5 and lines 1 to 16, page 6.

Motion No. 17

That Bill C-17 be amended in Clause 8 by striking out lines 25 to 45 at page 9.

Hon. Benoît Bouchard (for the Minister of Justice) moved:

Motion No. 53

That Bill C-17 be amended in Clause 34.1, in the French version, by striking out line 14 at page 39 and substituting the following therefor:

"présent loi, est abrogé et remplacé".

[*Translation*]

Mr. Robert D. Nault (Kenora--Rainy River) moved:

Motion No. 54

That Bill C-17 be amended by deleting Clause 34.1.

Motion No. 55. (Mr. Nault)

That Bill C-17 be amended in Clause 30

(*a*) by striking outline 42 at page 40 and substituting the following therefor:

"graph (*c*) or (*e*) of the definition "pro-' ';

(*b*) by striking out line 31 at page 41 and substituting the following therefor:

"(*c*) or (*e*) of the definition "prohibited' '.

Motion No. 57 (Mr. Nault)

That Bill C-17 be amended in Clause 38

(*a*) by striking out lines 28 to 34 at page 42 and substituting the following therefor:

"restricted weapons or firearms, or' ';

(*b*) by striking out line 40 at page 42 and substituting the following therefor:

"described in paragraph (*c*) or (*e*) of ' ';

(*c*) by striking out line 34 at page 45 and substituting the following therefor:

"(*c*) or (*e*) of the definition "prohibited' '.

[*English*]

Hon. Benoît Bouchard (for the Minister of Justice) moved:

Motion No. 58

That Bill C-17 be amended in Clause 38, in the French version, by striking out lines 35 and 36 at page 42 and substituting the following therefor:

"en gros ou au détail d'armes prohibées--au sens de l'alinéa *f)* de".

[*Translation*]

Mr. Robert D. Nault (Kenora--Rainy River) moved:

Motion No. 62.

That Bill C-17 be amended in Clause 41 by striking out lines 33 and 34 at page 48 and substituting the following therefor:

' sories, or ammunition defined as "prohibited' --

[*English*]

Mr. Robert D. Nault (Kenora--Rainy River): Mr. Speaker, in the short time that I have, I would like to start my comments about the particular amendments that I have as they relate to clip size, magazine size, by prefacing my comments. I want to preface my comments very carefully because I understand the emotion that has been created in this debate. I want to try and focus on this legislation based on my knowledge of gun control and guns themselves and also based on my experience on the special committee. I want to focus on that because I think it is very important for people to keep in mind the long road that we have been down in the last few months.

I want to start off by suggesting to the members of the House and, indeed, to the public at large that unfortunately this piece of legislation has the complete wrong focus. I know all members in this place and the public out there really would like to see a stronger gun legislation. I am one of those who would prefer that we have better legislation as it relates to gun control in this country. Unfortunately, the government has done an excellent job of convincing all Canadians that this particular piece of legislation is going to make our streets safer, it is going to reduce crime and it is also going to somehow reduce homicides and accidents that are created by the use of firearms.

I want to relate to a national Gallup poll that was put out in September 1991. The wrong focus the government has taken is borne out in this particular poll.

Let me start off by reading this poll and then get into more specific details of the legislation.

No. 1 on the Gallup poll: Canadians were asked to pick the one thing in the following five choices whereby the government should mainly address the new gun control laws. The results were as follows: guaranteeing severe penalties for any crimes involving guns, 33 per cent; tighter screening of new gun buyers, 29 per cent; further limiting the types of guns that can be bought, 15 per cent; increasing the requirements in safety training, gun use and storage, 12 per cent; increasing restrictions over present gun owners, 8 percent.

Canadians agreed that the courts are presently much too lenient in punishing criminals using guns.

• (1700)

That was agreed to by 86 per cent of Canadians. The new law should control criminals and not guns by giving out much tougher penalties to those who use a gun in any crime. Again 88 per cent were in favour of that.

Law abiding sportsmen, recreational shooters and collectors should not lose their guns because of the actions of relatively few criminals. Again 82 per cent of Canadians agreed with that statement.

Passing more severe laws over legitimate gun owners will have very little influence on criminals, and 69 per cent of Canadians agreed with that. I do not feel well informed about the issues related to gun control because I have not been given clear or complete information about the subject, and 50 per cent of Canadians agree with that.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I regret to interrupt the hon. member. It being 5 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*]

NATIONAL DEFENCE

PUBLIC POLICY

Mr. Fred J. Mifflin (Bonavista--Trinity--Conception) moved:

> That in the opinion of this House the government should consider bringing its defence policy out into the open so that there can be a full public debate on the over-all logic of our defence position.

He said: Mr. Speaker, I suppose as I stand to speak on this private members' motion, those who watch the cameras and perhaps some of our colleagues on all sides of the House would say:"Why is he speaking and on which subject is he speaking?"

I think this is a very important subject and this is why raised it in my resolution. It may not be related to my immediate riding problem, which is basically a problem of the failure of the fishery, but the subject of defence is very pertinent and very close to the hearts of Newfoundlanders, and I am sure to all Canadians, for a number of reasons.

I know the time I have and I want to say to members on all sides of the House, that this can be a partisan issue. I do not want it to be a partisan issue. The motion, very simply stated, says that we would like to see a larger debate on national defence. If I quote government sources, if I quote the sources on my side of the House, it is only to make the point that there should be a longer discussion on this subject.

I would indulge you, Mr. Speaker, if I become partisan perhaps you could remind me because I do not intend to, but should I, I suppose I could be forgiven for this.

Sir John Hackett, who was a great writer about military things, said: "What a country gets from the military is what it asks for, nothing more, and nothing less. And when it looks into the hearts and minds of those in uniform, those men and women in uniform, what it sees is a reflection of itself. And if the mirror is a true one, the reflection will be as accurate as the mirror is".

When I was in uniform I was always impressed by that because I knew that in this House was a great concern about our military people. I did not design the timing but I think it should not go without notice that it is very close to November 11. Activities that have taken place in the last few days reflect how important the military is in our lives.

By way of putting things in perspective, I want to read the opening statement of the old defence paper. I say the old defence paper, but it is the last one we have had, really. This is not meant to be partisan and I just want to put it in perspective because it could have been the Prime Minister of any party who said this.

If I had been a prime minister or if it had been my party I think I would have said that as well. It is not meant to be partisan. Prime Minister Mulroney said: "No government has a more important obligation than to protect the life and the well-being of its people, to safeguard their values and interests, and in Canada it is a time to renew that commitment". That was the beginning.

I worked very closely with the white paper on defence and I suppose in some ways it would be difficult for me to stand up here and say that I disagreed with what was in there. I am certainly aware that the circumstances have

changed since that paper was put together. I want to read the conclusion of that paper:

"The government will implement this program vigorously. Over time our endeavours will produce a defence posture responsive to the challenges of 1990 and beyond. Canadian security and sovereignty will be better served. Canada will become a more responsible ally and we will have a firmer basis from which to contribute to peace and freedom."

As I said earlier, that could have been written by any government, it could have been written by any prime minister or any defence minister.

Since then there have been developments. In some ways I am almost embarrassed that this cannot be more partisan, but I would share the views of the government that it is very difficult to organize a defence policy when things are changing so rapidly.

I know that I am certainly supported by my colleagues on this side of the House, and I see members on the other side of the House nodding as well. I would like to see a more public debate on this very important issue.

I had some notes but they are scattered all over the place. I had a very starched and ironed speech but it does not seem to be the time for it. I feel more comfortable speaking about defence and the notion of involving the Canadian public in a more positive sense, in a more continuing sense. Let me explain why I feel this.

Each time the budget comes out there IS a change in national defence. There have been base closures, there have been changes in the NATO structure, and I have to be honest, there are few things that have come out in the statements with which I have been able to take real issue. I am the kind of person who if there is a subject that I want to take issue with, I will, and if there is one that perhaps I would have to force, I would just as soon not.

Let us look at the defence policy statement that was made by the minister on, I think it was September 17. What did he say in that? He basically said that things are going to be as they were before, except we are going to have some changes.

I have been involved in the last 15 years in trying to work out defence policies and there are basically three ways you can do it. You can start with what you have and take it up or take it down. That is called the incremental defence policy. You can start with what you have and totally rearrange it. That is called the new change. This is what the white paper in 1987 did; the "new change". Or you can start and do something called zero base. You start from zero and you work out why you have so many people in uniform, what it is they are doing, and why they are doing it.

I have been in consultation with some of my former colleagues and I would never want to embarrass them. They are not upset by the policy as it is today, which is, I suppose, an incremental policy. I have here in my hand the statement on defence policy by the Minister of National Defence and the government, and I will read the first paragraph. It says:

> Canada, like any country, must maintain its defence policy periodically because of the requirement to maintain efficiency, adapt to changes in the international situation, and to take into account the realities peculiar to the territory.

• (1710)

That is great stuff. It is wonderful stuff, but what does it mean?

We are the second largest country in the world and I wonder sometimes if we recognize really where the threats are. It is because of the unusual nature of the threat that I believe my motion should be considered seriously.

The motion basically says that we should talk more about defence policy in Canada.

Mr. Speaker, I know where you come from and I know that you have been involved in defence issues, perhaps not as a constituency matter but I know that you certainly have been involved peripherally.

There are a number of reasons why the 295 politicians in this House become involved in defence issues. Most of the time perhaps it is for the wrong reason. Perhaps a base is going to be closed or somebody is doing something and a politician has to go and make their number in the House of Commons.

If we were really to get down to basics, we would have to look at defence policy as an insurance policy. In the bad old days when there were wars and enemies on the other side of wherever, it was a fairly simple thing to say

that there was an enemy, we can afford this much for defence, and this is how much it is going to cost the taxpayer to protect against the enemy. Certainly in my lifetime that was reasonably clear. I knew more or less where the enemy was, or at least the perceived enemy in peacetime.

It was judgmental on the country as to how much money it would spend on defence.

There has been a transition in the last two years and a number of things have changed. How can you possibly say there is the enemy and this is how much we are going to spend? The government has a real problem. Anybody in government would have a problem in deciding how much to spend on national defence.

I think there are 166 or 167 countries in the United Nations today but in those days there were a lot fewer. The civilized world is a civilized organization very much like the way we run this House of Commons; we are civilized people, there is a Speaker, and we have certain rules that we are subjected to. We do not always follow them but we are subjected to them.

In 1945 the war ended. All of a sudden there was no enemy. The enemy of yesterday was the friend of tomorrow. In 1949 we started on NATO and we got NATO organized in 1950. Then things became lined. You knew you were on this side and you were a member of NATO. People joined NATO and then there was the other side, the Warsaw Pact. I would not say it was simple but I would say it was relatively clear about how you would line up.

Eighteen months ago that changed tremendously. Who is the enemy today? Where is the enemy? How is the enemy going to perform?

I would suggest that the enemy of today is more malicious than the enemy of yesterday. If I know my enemies, I may not be happy with them but at least I know their failures and their successes and I know what they can do. When you do not know who the enemy is how do you deal with it? How do you say it may be him, it may be her, it may be that, but I am not sure how to do it?

You have a number of choices. You can say that because there is no enemy that I can perceive I am not going to do anything at all. I am going to pack it up and throw it away. Or you can say that because you are not sure who the enemy is you should do double what was done before. I am not so sure that is the right way either.

An hon. member: Don't do anything.

Mr. Mifflin: I heard a comment from my hon. colleague from Victoria who said: "Don't do anything". I would be more kind to the government. It is trying to do something. It made a policy statement on defence that would have been all right if nothing had changed since the 1987 white paper. Since the white paper all the assumptions made there were changed rapidly and dramatically. The world is not in the same place as was described in this well put together and well written document.

We have things going on in the world that we see and I am sure we recognize for what they are. Who is the enemy? We have a lot of things going on. We have a thing which the books and those who are more learned than I call cultural nationalism. We see it in our own country and it is very deep. Sometimes I believe I understand it, and when I sit down to analyse it I really do not understand it. It is not the same as putting a pilot in a MiG 34 or a MiG 26 and sending it from *a* to *b*. It is not the same as having a cruiser and putting a whole bunch of missiles on it, because the intelligence can say this is what is happening. But how does intelligence recognize cultural nationalism? It is deep. There are times when you think it is submerged that it will always return. There is cultural nationalism.

There is the instability going on in the world. I take you back, Mr. Speaker, to 1945. I say it took from 1945 until around 1950 for the people who were working on defence policies to sort them out. Our major change in defence policy came in the last couple of years when the cold war was basically over. We made a change in NATO. We arranged some of our base structures in the country. As a statement of policy this came out in the policy statement I hold in my hand. If I were defence minister, there is not a great deal different that perhaps I would have advised my Prime Minister on.

I will go back to the point of my motion. I would love to see a public debate about defence. National defence is the second largest department in the government. The industries involved in national defence involve 120,000 people and a countless number of firms. I am not going to get into the arms sales. That is a separate subject, but it certainly is related. I think my hon. friend will speak on it as a subject as well.

I suppose, Mr. Speaker, you are asking where am I going. I am surprised that nobody on the other side of the House has asked me where I am going. I am not sure where I am going. The point is there is a need for a public debate.

I come from a reasonably large riding. There are 110,000 people in my riding. It is a modest riding and one would not think it was that related to defence. I boast, and I think rightfully so, that Bonavista--Trinity--Conception is the largest fishing riding in Canada. Nobody has challenged me on that.

Mr. Simmons: I have.

Mr. Mifflin: The hon. member for Burin--St. George's says that he has. We will sort this out later on.

I am one of 295 people in this House. I am modest enough to think that I am not much different from anyone else. In my riding there is seldom a time that I go to a reception or speak or go to a gathering where someone does not say that their son or daughter served in the Persian Gulf. They were involved. They are asking me: "Where are we going?" I say that I think we will continue to have a defence policy and I think we will continue to support defence matters. Any government, whichever side of the House, can have a defence policy. I suppose I have kind of lost track of this, but I go back to the statement of the Minister of National Defence. The day before he made his statement the Prime Minister said: "There will be a larger statement later on". I assumed that there would be some public consultation. The motion says that I would like to see some public consultation. I go back to what Sir John Hackett said. I started with Sir John Hackett. I do not mind talking about him because he was an army general and most admirals and generals usually get along. He was a very deep, learned man. Mr. Speaker, before you give me the option to sit down, I will once again, in closing, ask you and ask those who are going to speak on this matter to reflect on his words. Once again, John Hackett said: "What a country gets from its military is what they ask for. Nothing more, nothing less. When they look at their military they are looking in a mirror and, if the reflection is a true one, the face they see will be their own".

• (1720)

Mr. Speaker, I thank you for your indulgence.

Mr. Patrick Boyer (Parliamentary Secretary to Minister of National Defence): Mr. Speaker, I would like to congratulate the member for bringing the motion before the House today so we can again debate and consider the future directions of Canadian defence policy.

I agree with the member that it is important that these issues be raised publicly and considered from many different perspectives. Increasingly we have been having good debates here on the floor of the House of Commons about foreign and defence policy. It is a welcomed change.

I remember the week the Berlin Wall fell and Germany was reunited. There was not a single question asked in the House of Commons during Question Period relating to any aspect of Canadian foreign policy. I think we were preoccupied with a domestic tax change or some matter like that.

Therefore, it is always important as Canada is in transition from the model of a 19th century nation state into a 21st century international country that we the elected representatives of the people contemplate the direction that the policy should go.

The member, in the wording of his motion, wants to bring Canada's defence policy out in the open for a full public debate on the over-all logic of our defence position. "Out in the open" and "full logic" are two elements that I just want to note in passing.

The more open the better, but I think there are already a number of public meetings and discussions, not only right now on the floor of the House of Commons, but earlier today the standing committee on defence met with this whole subject as part of its current, self-assigned mandate. Elsewhere throughout the country the minister's own policy statement to which the member has referred is also part of that. Therefore I think our country is engaged in public discussion and the more the better. I agree with that.

As to the logic, I pause. The search for logic in government policy is perhaps a quest that would leave the hon. member mad. It is very hard sometimes to find logic. Historians tell us that Canada defies logic, that the policies of government that tried to keep this country

united east to west on an economic basis defied the logic of north–south integration.

In the member's own province of Newfoundland the constituent assembly that met to consider what questions should be put on the ballot in the referendum omitted the option of Newfoundland voting to join with Canada. There was no logic in that. In fact it was subsequently added by the British government as a choice for Newfoundlanders. As a consequence of that we have the member here today and as a consequence of that we have this debate.

The point I am making is that if our quest is for logic, I think we will be here a lot longer than the brief time allowed for this debate.

A former leader of the member's party, Mr. Trudeau, once outlined his political philosophy in an effort to have the mind rule over the heart, the head over the heart, although his political actions in many respects sometimes contradicted that. I think that we increasingly see––

An hon. member: You are being partisan.

Mr. Boyer: The hon. member is interrupting by saying that I am being partisan. I am analysing the problem we have in public policy, that it is not always logic and the rationally designed order that prevails. People are as much if not more motivated by emotion, instinct and by primeval human drives to do things as they are by logic. I simply make the comment in passing that we should look at the broad outlines of the policy and the reasons for it. If it appears to be logical, so much the better as far as the hon. member is concerned.

He has outlined all the changes that have taken place. No one can escape them. It is in that context that the previous government's policy on defence issued in 1987 became outdated. It stood as an island trapped in time as so many other changes were swirling around. The member has referred to them.

There are not only changes in the international context, but changes domestically relating to the government's efforts to try to deal in a serious minded way with the national debt that the country has and to bring spending down. We have changed international context and budgetary restraint at home.

A third element impinging on this is the desire to have the Canadian Armed Forces indeed do more at the very time their numbers are being reduced, to take on new roles in addition to those that are required of a professional armed force of the kind that we have in Canada.

It was on that basis that the minister made the policy statement not so long ago on September 17. He did present reasons that yes, there would be changes and yes, there would be elements remaining the same.

This should not be disparaged. This is a "logical" approach to the situation I have just described. There will be some progress. There will be some progressing and some conserving of elements that together are necessary as we go ahead in the new context.

I think that the basic tenets of Canadian defence policy are out in the open. They are very much in the open. They are part of the public record and they have been there for a long time following some three fairly well–known features. The first is defence and collective security. The second is arms control and disarmament and the third is the peaceful resolution of disputes.

Those are areas that are long–standing, publicly known and publicly supported aspects of Canadian defence policy. The call to have this out in the open is perhaps a call not so much as to reveal anew, for the first time, public policy. It is rather to invite the hon. member to remove his sun glasses and see what is there in full public display for everyone to see and recognize.

The global changes that we have seen are of historic proportion. We discussed this yesterday when the member for Victoria had a resolution before us dealing with the future role of the North American defence agreement between Canada and the United States.

The cold war is over and we are no longer viewing the role of the Canadian Armed Forces, our treaties or our arrangements in that context. Yet, to say that, we must not assume that all the sheep and all the lions are lying down in the pasture together and that there is no hostility or threat of hostility. We must not assume that there is no need for us to still maintain our vigilance, because certainly there is.

I think the ongoing conflict in Yugoslavia is ringing a very clear warning bell to the world community revealing how the many challenges that remain can lead to violence.

I had a discussion on Friday of last week with Dr. Madeleine Fullbright, Professor of International Law and a Democratic presidential adviser on foreign policy in the United States. We discussed the survey she had conducted in central and eastern Europe showing that in virtually all of the countries of central and eastern Europe a majority of the people living there feels that a part of their country is within the borders of another country.

• (1730)

There are a lot of possibilities over there that will give rise to peacekeeping work and a strong role for the United Nations to keep regional and border conflicts from erupting. That is one of the other areas where the policy announced by the Minister of National Defence clearly states Canada's commitment to continuing in that role. That is another part of our policy.

Indeed I would like to add personally that the work of a number of parliamentarians to see us now move to the next stage of preventive peacekeeping is something that would be a further role for Canada to provide leadership on a global basis and be consistent both with the traditions of our country and the new opportunities and challenges internationally.

There are many more elements to all of this and in a brief 10 minutes I cannot entirely reiterate the lengthy policy statement of the minister. However I would like to clarify that the government is responding in a way that is both pragmatic and creative. It is with that in mind, with more debate and discussion by Canadians on this issue, that we can have a consensus in the country on the future direction of a very constructive defence policy for our country.

Mr. John Brewin (Victoria): Mr. Speaker, I rise to participate in this debate and join in congratulating the member for bringing forward this motion. It is clearly important that there be public debate on Canada's defence policy.

I have to say that I am very disappointed that this is as far as the motion goes, that I am very disappointed in the content of the member's speech as he brought it forward; not in his style, not in his motivation, not in his intention, but in the content and substance of it.

I think that the parliamentary secretary who just spoke is quite correct. The government's policy is quite out in the open. The government has made a policy statement. The government is conducting defence policy in this country. What this country now needs is not a quiet, wimpish motion that calls for more public debate with the Liberal Party, if I can say it, hiding again behind process. Rather, let us begin to join issue on the issues that there are in defence.

The government has put forward its position and we have put forward our position. The country is waiting perhaps with bated breath for what the Liberal Party has to say on these critical issues as the world changes.

An hon. member: What do you have to say?

Mr. Brewin: If you will be quiet for a minute or two, you will hear exactly what we have to say. You have heard it already on two or three occasions and you will hear it again. Let me raise first of all the context in which our country now has to look at issues of defence policy. It is absolutely clear the fundamental premise that has underscored our defence policy since the late 1930s has changed, particularly the fundamental premise of our policy since the end of the Second World War and the beginning of the cold war. It is a point which I made last night in the discussion on NORAD.

The Warsaw pact has disbanded. Virtually all Warsaw pact countries regard themselves as applicants to join the west and to enter into normal peaceful relations with the NATO countries including Canada and the United States. They have laid down their arms. They present no threat. They want to be friends and allies.

The Soviet Union has been proclaimed by the former Secretary of State for External Affairs to be our friend and our ally, and we are now entering into economic, political and social relationships to make that a fact.

Both the United States and the Soviet Union are proceeding at break-neck pace to dismantle the whole nuclear apparatus that had grown up during the cold war. We are left still with the remnants of that and that needs to be dealt with, but it will not be dealt with by a build-up of arms. It will be dealt with by effective arms control and arms reduction measures.

Canada and the defence planners and public policy makers now face a complete re-vision and re-orientation of where we want to go in this country. We start with the

first question: What is the threat to Canada? What threats are there to our territory, our space and our integrity from a military point of view? The answer has to be virtually none. There is no country, other than the United States of America, that could successfully invade Canada and hold space in our country. There is the risk of occasional incursion, militarily, from some country testing and probing our area and again it is primarily the United States and the Soviet Union that have any capacity left to do that. Challenges to our sovereignty come primarily from the United States and not from anyone else. There are the remnants of Soviet power left, but that is all there is.

At the defence committee today we heard of the complete chaos in the Soviet Union which is facing transition from a state run economy to a market mixed economy, transition from a military system phasing out which employed millions of Soviets both in the defence industry and in the armed forces. That is being dismantled and it is facing the very transition of the Soviet empire into a series of republics and a very loose federation. It simply does not have the time, energy, money or drive to provide any military threat to speak of to Canada.

We happen to be in effect the Switzerland of the 20th and 21st centuries in that in the current terms no country can engage in a significant military attack against Canada. We need to patrol our coasts. We need to know what is happening in our air space. We need to have some capacity to deal with incursions and, in terms of our own territory, that is it.

The question for Canadians and the hard question for Canadians is to what extent do we contribute militarily to security in other areas of the world. The clear answer, in which all Canadians agree, is that we participate in UN peacekeeping. On that we share. I think most Canadians would agree that if the CSCE called on Canada to participate in some form of peacekeeping in Yugoslavia or in the foreseeable future in parts of the Soviet Union as it now is, where minorities may be under attack or where there are regional tensions between republics of the Soviet Union, where there are problems of that kind, Canadians would look very seriously at that.

I think we see that we have a role in a kind of peacekeeping area, but we do not come to the post cold war era as a major military power. We come as a middle power with credibility, as a negotiator with credibility, in a role as confidence building and, most important, with credibility in terms of developmental assistance and environmental work. It seems to me that the post cold war era for Canada is going to require a very significant contribution. The role we can most effectively play is in trying to finally rid the world of poverty, to try to support the efforts of peoples of the world to build social justice, to work on the institutions of international stability, order, peace and justice such as the United Nations, the CSCE and other regional groupings.

What we need to do is take initiative. I have not heard a word from the Liberal Party on this. It is really interesting that the associate critic for the Liberal Party says he does not know where he is going in these areas. I may have taken him out of context, but we have not heard from him on issues--

An hon. member: I did not say that. We do not know, as a country, where we are going.

Mr. Brewin: I thought I heard him say that he, too, did not know where he was going. I see the parliamentary secretary nodding vigorously. The record of *Hansard* will tell the tale.

The fact remains that what we should be doing is moving quickly to provide leadership on developing a polar security arrangement, on trying to de-escalate the arms build-up that there has been for the last 40 years. This is the future of debate in Canada and this is the focus of the debate. This House has to pick up the challenge and the government has to pick up the challenge of bringing Canadians into this discussion as a whole. The questions of debate now are not technical, military questions.

• (1740)

They are questions of public policy, of what Canada's relations should be with the United States, what our relations are with Europe, what our relations are with our neighbours. This should be the focus and these are questions of major public policy, and this has to be the focus of debate.

The citizens' inquiry on peace and security, sponsored and organized by the Canadian Peace Alliance and its constituent groups, is performing a very important service for this country and is beginning to open this up. We in this House and the government, for its part, have to build on that.

It is not sufficient for these issues to be the property of the military. The military and the Department of National Defence in this country played an enormously important role in the Second World War, in the First World War, in the Korean War, in the Persian Gulf War, and in keeping the peace over the last 40 years. But the property of this debate is not that internally of the Department of National Defence.

To this extent I entirely agree with the underlying proposition of the member who moved this motion. It is that this discussion has to be brought out of the Department of National Defence. The way in which the September paper was produced is not constructive and effective. The first questions that have to be asked are: what is the military threat to Canada? What perspectives do we have for the future? Where are we going in the future? These fundamental questions are public questions which all Canadians should be engaged in. It is our responsibility to find a forum, a process and a way for that debate to be engaged.

Mr. A. H. Harry Brightwell (Perth--Wellington--Waterloo): Mr. Speaker, I am pleased to enter into this debate knowing full well, however, that I follow people who are so well versed in the subject, the member who was a career officer from the Armed Forces from Bonavista--Trinity--Conception, the critic for defence from the NDP, and indeed the hon. parliamentary secretary to the minister of defence.

I hope during this debate to point out that perhaps we have already met the main part of this motion. There has been a great deal of room for public input. Indeed, we are probably already providing for what the member for Victoria is suggesting, that we give a place to join issue, that we let people come in and talk through the things I will mention a little further along in my speech.

Before we do that I would like to comment that the member for Bonavista--Trinity--Conception has quoted a person who said that we get from our Armed Forces only that which we ask of them, that if we look in the mirror we will see what we need from the Armed Forces. I would like to suggest that they have always delivered more than what we asked. They have always served us so well, in two world wars, in Korea and in the Middle East, more recently last year in Oka. Indeed, we are proud of everything that the Armed Forces have done for us because they do go beyond what duty might demand of them.

Because we are coming close to November 11 and the time when we remember the sacrifices of the people who fought for Canadian values, I want to say that we will never forget what they have done in their sacrifices for Canada.

Let me move to the topic of today. I want to suggest that the recently announced defence policy was the product of in-depth research and review of opinions and views offered by numerous people and organizations since 1987. Contrary to what at least one member of the opposition party has said here today, the review was not completed in isolation. Studies and reports by various parliamentary committees on a broad range of defence subjects were taken into account. These included studies on maritime sovereignty, Canada's land forces, NORAD renewal, the gulf war and Middle East security, the arms treaty and the Oka crisis.

Many of these hearings included testimony from individual citizens as well as various organizations and interest groups. The minutes of all proceedings, as well as the final reports of these all-party committees, are public and are available to anyone interested in defence issues.

The government has also listened to the position set out by the Canadian Institute for Strategic Studies and other organizations that expressed their views. In addition, we have heard from countless other interested and concerned citizens. In fact, since the release of the white paper on defence in 1987, the public has expressed its views on defence through thousands of letters to the Minister of National Defence and the Secretary of State for External Affairs, as well as through testimony during participation in government sponsored meetings and conferences. Now that the policy has been released I may add that there continues to be ways for Canadians to influence the content and orientation of our policy.

First, an advisory group has been created to study this area of concern to many Canadians, the process for rationalization of Canadian Forces bases and installations. Members of this advisory group were selected from outside the government or any political party in order to give as much objectivity to the process as possible. Their report will be tabled publicly and will be passed to the Standing Committee on National Defence and Veterans Affairs for further review and recommendations. I might say that we in this House all know the

chairman of that particular committee, the member for Crowfoot, with his strongly independent processes, is going to make sure that everyone who wishes to give a view to that committee will be able to do so.

This process provides the public with the opportunity to scrutinize the principles, the parameters and the logic of the planned review of defence infrastructure and offer their opinions.

Second, the opportunity to discuss, review and recommend direction of our defence policies and programs is presented at least once a year when Main Estimates are referred to the Standing Committee on National Defence and Veterans Affairs, as well as at any time supplementary estimates or interim estimates for the Department of National Defence are tabled.

Upon any one of these occasions the committee may consult with concerned citizens and various interest groups, and indeed I am sure that they would like to hear from those concerned citizens and would help the committee to talk to departmental officials, and of course the Ministers of National Defence.

Reports resulting from these hearings are public and are considered by defence planners. Moreover, it is the intention to come forward with a more detailed explanation of defence policy upon the consideration of the Estimates.

Finally, as the world order is evolving so quickly, flexibility in any defence policy has become essential. Toward this end, this government is seeking more public input on future defence policy than any previous government has done.

Annual ministerial declarations will allow the government to consider public opinions, provide for greater public consultation and make appropriate policy adjustments in a timely manner. This government has in fact conducted a defence review based on the realities of the current national and world situation.

As the government continues to consider changes in defence policy, we will continue to listen to the views of Canadians. In the meantime we have produced a defence policy which meets the needs of Canada in an era of rapid change. It is a flexible policy. It is a realistic policy for the people of Canada and, moreover, it is an achievable policy.

* * *

BUSINESS OF THE HOUSE

BILL C-17

Mr. Cooper: Mr. Speaker, there have been discussions among the members of the House and you will find that there is consent for the following motion.

Under the provisions of Standing Order 78(1) I wish to state that the representatives of all parties have reached an agreement with regard to a proposed allotment of time for the disposition of report stage and third reading of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof.

I therefore move:

That, in relation to Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, the remainder of this sitting day shall be allotted to report stage and one sitting day shall be allotted to third reading stage of the bill; that the debate at report stage shall continue tonight beyond the hour of daily adjournment until all questions necessary to dispose of the report stage of the said bill are disposed of, provided that no dilatory motions or quorum calls shall be deemed receivable during the extended sitting; that any requested divisions shall be deferred until three o'clock p.m. Wednesday, November 6, 1991, provided that any time used for the voting at report stage of the said bill on Wednesday, November 6, 1991 be added to the hours of government business during that sitting; that notwithstanding any Standing Order on Wednesday, November 6, 1991, the House shall proceed with third reading stage of Bill C-17, and that at the end of the time allotted for the consideration of Government Orders on that day all questions to dispose of the said bill at that stage shall be put forthwith without further debate or amendment, and that if a recorded division is requested that it shall be deferred until ten o'clock a.m. Thursday, November 6, 1991.

• (1750)

Mr. Dingwall: Mr. Speaker, there have been some extensive deliberations pursuant to the Standing Orders regarding this particular motion, as well as on its specific contents.

I am sure my colleague from the New Democratic Party would want an assurance from this House with regard to a particular matter and I believe some of my other colleagues will seek assurances. I wish to indicate first hand that we would be prepared to give those

assurances in the spirit in which the motion has been drafted and given by the parliamentary secretary to the government House leader.

Mr. Riis: Mr. Speaker, I appreciate the comments by my hon. friend, the House leader for the Official Opposition.

We certainly support this motion. As I see it, this will give everyone who wishes to contribute to the debate an opportunity to do so today and tomorrow as well.

I want to seek a clarification from both my hon. friends that at the end of the day, meaning tomorrow when we complete third reading stage, if there is a need for some extension to allow a few more members to complete their remarks, we would accept that in good faith to ensure that those people who wish to speak will have an opportunity.

Mr. Dingwall: Mr. Speaker, there are assurances within the motion that the time it takes us to complete all the votes on report stage would thereafter be added to the time in which we will debate at third reading.

As the hon. member has suggested, if there is a finite number of individuals who wish to speak for a short period of time I am certain that reasonableness would enter the Chamber and I would be happy to give my concurrence to the hon. member's request.

[*Translation*]

Mr. Lapierre: Mr. Speaker, with the atmosphere which prevails in the House, it is hard not to join in, and you know that we are always inclined to co-operate.

However, I know that the House, at least on third reading, will not want to miss the excellent speech of the hon. member for Saint-Hubert, who will illuminate us all with her knowledge. I would ask my colleagues to give us the assurance that the House will not deprive itself of the words of the member for Saint-Hubert.

[*English*]

Miss Grey: Mr. Speaker, again I would like to concur with the motion that has been put before us. I also would like to have reasonable grounds of confidence that I would be able to speak to this bill.

I know that the member for Annapolis Valley--Hants would like the same assurance that we could treat this in good faith and make sure that everybody does have a chance to speak, as the member for Kamloops said, and if we do need to go beyond the time for a short period tomorrow night, we would be able to get some assurance on behalf of the government.

Mr. Cooper: Mr. Speaker, first of all I would like to indicate my thanks to all members who have co-operated to make this House order possible.

I also want to indicate to the hon. members for Saint-Hubert, Beaver River and Annapolis Valley--Hants that we will be more than pleased to co-operate to make sure they have an opportunity to participate in the debate. The whole thrust of this motion is to make certain that all members who wish to speak have that opportunity.

I do want to indicate to the House leader of the New Democratic Party, as has already been confirmed by the House leader of the Liberal Party, that we too would be prepared to co-operate to make certain that if there are some people who need to speak when we come to seven o'clock tomorrow evening, we would allow that additional time.

I might also say that this is a wonderful idea, the way this is working. I would be quite happy to take care of all of the lists for speakers on all future debates and maybe we should consider that.

The Acting Speaker (Mr. DeBlois): 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.

* * *

NATIONAL DEFENCE

PUBLIC POLICY

The House resumed consideration of the motion of Mr. Mifflin (p. 4577).

Mr. Hopkins: Mr. Speaker, first of all I want to congratulate--

The Acting Speaker (Mr. DeBlois): I am sorry, on a point of order, the hon. member for Kenora--Rainy River.

Mr. Nault: Mr. Speaker, I was the last to speak and I only went through about two minutes of my designated time. Are we back on debate or is this something else altogether?

[*Translation*]

The Acting Speaker (Mr. DeBlois): We will now resume consideration of Private Members's Business until 6 p.m.

[*English*]

Mr. Len Hopkins (Renfrew--Nipissing--Pembroke): Mr. Speaker, I want to congratulate my colleague from Bonavista--Trinity--Conception in bringing forward this very timely motion this afternoon in private members' hour. I was particularly interested in hearing the defence critic for the NDP in the House get up and deliver a cheap shot at his efforts on his first go round. We in this House know that the New Democratic Party of Canada would be quite happy to have the Ottawa police force as the national army of Canada and so we write that off without worrying about it any longer.

We have to take this motion very seriously. I am glad that some of the government members are taking it very seriously because there is a great rapport on this issue in this Parliament.

While we have things moving toward peace on the international scene, and we are all very pleased with that, we have to be very concerned about the accidents of history that happen along the way. We have had those accidents of history happen in days gone by and they have caused great consternation to the human race in this world.

As we come up to Remembrance Day, I think it is even more apropos that the hon. member for Bonavista--Trinity--Conception has brought this motion forward for us to take a look at and consider what should be in a future defence policy for Canada.

We know that the white paper the government put out a few years ago is now totally out of date. It has come forward with some *ad hoc* suggestions which really do not serve the purpose of our times.

I totally agree with the hon. member for Bonavista--Trinity--Conception when he says that we get out of our Canadian forces what we ask of them. We have a tremendous record in the activities that we have participated in around the world. The world needs Canada. I think that is a very important thing to remember at this time when we are reviewing defence policies. The world needs Canada.

We have troops right now on the Golan Heights which have been there for some time between Syria and Israel and they have been doing an excellent job. Sometimes people forget they are even there but they are there and they are doing their job.

We have about 560 troops still in Cyprus keeping the peace in that part of the world and that has gone on for some 27 years. We do not know how much longer it is going to go on.

We had occasion to send teams of our military personnel to Vietnam at the close-out of that war where they did a super job. Korea was a UN battle to drive the communists back to the line that had been agreed upon by the United Nations. Canadians went over there and served well. We will remember those who made the supreme sacrifice in that battle when we stand around the cenotaphs at more than 1,700 Royal Canadian Legions across this country next Monday, November 11.

We have sent troops to Africa on peacekeeping missions. We have sent troops to Central America to try to manage peace or bring peace about in that area.

Our Canadian forces, as the hon. member who sponsored this motion very well knows, are not only soldiers. People look upon them as military. They are military first because they have a job to do when they are given the orders to do it. Second, they are great diplomats because they are called upon to deal with many nations of the world and other forces that they work with in peacekeeping with the United Nations.

At the same time they may not like this comment, but I always refer to them as being very good politicians because they can sit down around a table and get some consensus out of a meeting and bring something together for a solution to a problem. They can get other countries agreeing with them and working with them toward a useful end to solving a conflict.

• (1800)

We all remember the time that we had 1,036 peacekeeping troops in the Sinai and in Egypt. After the war over there that was so devastating it was the Canadian

Forces that pulled together the UN forces that were there and worked with them.

I had the privilege at that time of visiting with Brigadier General Don Holmes who was commanding officer of our peacekeeping forces in the Middle East. It was great to see him in action and I look upon those actions--

The Acting Speaker (Mr. DeBlois): Order, please. The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

The House resumed consideration of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, as reported (with amendments) from Legislative Committee H; and of Motions Nos. 4, 11, 17, 53, 54, 55, 57, 58 and 62.

The Acting Speaker (Mr. DeBlois): Pursuant to the order passed earlier this afternoon, we resume consideration of report stage of Bill C-17, an act to amend the Criminel Code and the Customs Tariff in consequence thereof. At that time, the debate was on Motions Nos. 4, 11, 17, 54, 55, 57 and 62, as well as Motions Nos. 53 and 58 which were grouped together for the purpose of the debate.

[*English*]

Mr. Robert D. Nault (Kenora--Rainy River): Mr. Speaker, as I was saying before Private Members' Business started at five o'clock, the Gallup poll that was done in September 1991, as you can see, has a different slant to it than the government's piece of legislation, in particular under the area of law-abiding sportsmen, recreational shooters and collectors that should not lose their guns because of the actions of relatively few criminals. Mr. Speaker, 82 per cent of Canadians said that they agreed with that statement.

In connection with this situation we are dealing with I want to talk a little bit particularly about the motion and the area of amendment I am looking for. That is that Motion No. 4, about which we are talking particularly, and the others that are bunched together delete all reference in clause 2 which adds the definition of a large capacity cartridge magazine.

When we dealt with C-80, and I was a member of that committee, we dealt particularly with clip size. I want to read what the committee said about that and particularly some of the individuals that came forward. One of the areas we focused on was that magazines are unmarked and thus untraceable. It was suggested very strongly to us by an RCMP expert, Mr. Murray Smith, that indeed it is acknowledged that the problems of interchangeability and untraceability compounded by several million ammunition magazines that are already in the country would make any limits very difficult to administer and enforce.

I cannot understand for the life of me why anybody would want to put in a piece of legislation which the experts out in the field tell us cannot be enforceable. That situation is really what we are debating here today.

What we are debating is just what it means to the law-abiding citizen, the individual who feels that this piece of legislation does absolutely nothing to the criminal element that we as members of Parliament are supposed to be dealing with.

We are not supposed to be restricting severely law-abiding citizens who are not the problem at all. I will not get much of a chance to deal with that because of the short time that I have, but I want to suggest to the members opposite that removing over two million clips and also outlawing a significant amount of firearms because of the fact that some of these clips are built in is not going to improve the situation one iota in the urban centres of this country.

We have suggested to law-abiding citizens of this country that we cannot trust them to do the right thing.

When I get my chance at third reading to discuss this a little further, I will talk about some of the issues that we talked about in C-80. We thought they were very important issues that should have been addressed in this legislation and would have made for strong gun legislation. That is the focus to which I think we should apply ourselves.

It is a charade to say that we have put in good legislation and people can sleep better and feel much safer walking on the streets in cities like Toronto and Montreal. It cannot, for the life of me, come out of my mouth because I believe that would be suggesting to my constituents that they are totally incapable of un-

derstanding this legislation and that they do not realize that their members of Parliament are correct.

I have made this legislation available to all people in my riding who were interested. I want people to know that I have over 3,000 members of my riding who belong to the Ontario Federation of Anglers and Hunters. They are not a lobby group. They are just people who go hunting and fishing and are interested in our environment. They have asked for this particular report on Bill C-80.

In this report there are a lot of different issues that we dealt with that have not even been touched by this particular legislation called Bill C-17. One area of difficulty is the magazine size.

In closing I want to say that when I get a chance to speak more thoroughly and for a longer period of time, I will focus on just a few areas that I missed, specifically the difference between clamping down on criminals and clamping down on legitimate gun owners. I think that is important to focus on.

Mr. Jim Peterson (Willowdale): Mr. Speaker, I think it is important for Canadians to look at the problems we are attempting to deal with in addressing the very important issue of arms control.

Last year there were about 1,400 deaths in Canada that were arms related. Of those, 1,100 were suicides. About 100 to 200 were from the criminal use of firearms.

This bill purports to make our society safer by dealing with the criminal use of firearms. How does it attempt to do this? First of all, it does make it more difficult for people to get an FAC, a firearms acquisition certificate. There is going to be more screening. This is good, but I am not sure that they have gone far enough in terms of these provisions.

Another area they are going to look at is restrictions on the types of arms that Canadians can have. They will do this by limiting or making restricted weapons or outlawing certain types of weapons, including guns which were automatic but which have been converted to semi-automatic. They will also limit the size of clips, the number of bullets that can be fired from certain guns. In doing so they are looking at the problem of what types of armaments there are. They are not looking at the issue of who is using them.

The problem is that many gun collectors, people who belong to gun clubs and people who shoot for recreational purposes, are going to be affected because they have a number of these types of arms in their collections, legally acquired in the past. One of the problems we face is that throughout all of the hearings we have had there has been almost no suggestion and certainly no evidence that it is legitimate gun collectors and members of gun clubs who have created the problem of gun-related deaths in Canada.

• (1810)

As a matter of fact, these people have probably done more through training courses and rigorous screening of people who are admitted to their gun clubs to make the use of guns safe if they can ever be.

It seems to me that this bill as it now reads is dealing not with the fundamental issue of controlling the criminal use of guns. It is penalizing people who have proven in the past that they are part of the solution and not part of the problem of gun related deaths in Canada.

Does this bill deal with increased penalties for criminals who use guns in the course of a crime? For example, it was suggested by many of the lobbyists who appeared before committee that we should increase the penalties for the use of guns in crime.

We should make it mandatory that a person have at least a two year sentence for even using a gun during the course of an offence. You could say that this could create problems in terms of plea bargaining and the administration of justice. Suggestions were put forward that you could not withdraw this mandatory penalty without the consent of the provincial Attorney General. That would give a certain flexibility if you need it.

Is there anything in this bill to deal with mandatory penalties for smuggling guns into Canada? Guns smuggled into Canada are often used in crimes. Is there anything in this bill to deal with mandatory penalties for the theft of firearms? No.

If we are really attempting to deal with gun related crimes and the deaths that ensue, which none of us want to see and which we should be seeking to prevent, then I

feel that this bill is deficient in not dealing with these very important issues.

This bill is very deficient in that it is not fair. People have over the years acquired a number of guns. I do not have a gun and I do not particularly like guns but people have within the law gone out and bought collector's items and paid a lot of money for them. Many of these guns are going to be taken away from them by this bill without compensation. It is expropriation without compensation. You cannot do that in terms of peoples' homes or cars. Surely this is not fair.

Another problem I see with this bill was mentioned by the hon. member for Kenora—Rainy River who has a good knowledge of this bill and has spoken strongly on it. He will speak more. He called for mandatory training programs so that when people are going to acquire a gun, particularly for the first time, they have to learn more about safety and the safe use of these guns.

There is no provision for these mandatory training programs in this bill. How do you get at the accidental use of firearms causing serious harm to people unless you train people who are going to have guns? Even under this bill there are still going to be guns.

I know I have very little time left but I find this bill extremely deficient. It is not going after the criminal use of guns or the negligent use of guns because it is simply putting most of the burden of this bill on gun collectors and people who belong to gun clubs. Neither of those sports are ones which I feel any particular personal affinity for. But let us not pretend that we are dealing with the root causes of gun related deaths in Canada and the harm that guns can cause to Canadians when we do not deal with more training and the criminal use of guns in smuggling, theft and the commission of crimes.

Maybe there is some progress. Maybe there will be some limitation on the use of guns by making it more difficult to obtain a firearms acquisition certificate. I suspect they did not go far enough in having mandatory training programs which could have been administered by these gun clubs that are willing to do it for a very minimal fee. They already impose strict standards on their own membership.

While this bill addresses the problem of gun control, it does so in a very marginal and, in many cases, unfair way. It does not address the real problems so that we as a Parliament will have to come back to deal with those issues not too many years from now.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, I find it unbelievable that the hon. member for Kenora—Rainy River proposes such a motion, and in particular Motion No. 4 which specifically aims at authorizing again large capacity cartridge magazines in firearms.

Mr. Speaker, considering all the incidents that have occurred, this goes beyond anything you could imagine. I wonder how the hon. member was able to find someone to second such a motion. I also wonder what the hon. member for Notre-Dame-de-Grâce does in the Liberal Party of Canada, considering he was the first one to go and get the petition signed by 8,000 students of La Polytechnique. He was the first one to go and get that petition, but he is nowhere to be seen here today.

I was at the Polytechnique when that tragedy occured, and I could hear Marc Lepine shoot with his semi-automatic rifle. One would have had to be an expert not to think that this was a true automatic weapon. With a 30-cartridge magazine, how can people prevent a massacre? Who needs such a weapon? Who needs a rifle with a 30-cartridge magazine? I hope no member of the House. I hope this motion was simply seconded to allow a debate and to show how far ignorance can go with proposals that are totally unacceptable.

If there is a minimum of improvement in that legislation, it is because of those weapons. Obviously, as I mentioned earlier, we will have to wait for the recommendations of an advisory committee: We will have to wait for the regulations that will be tabled by the minister and approved by the cabinet. In its present form the legislation only provides for the minister and the Cabinet to make such regulations on firearms. It is already less than minimum and it is completely unacceptable to claim that firearms with any large capacity cartridge magazine should not be prohibited or restricted.

• (1820)

I hope that this motion will be rejected, as well as the other ones that were grouped together following the decision of the Speaker and that were proposed by the member for Kenora--Rainy River. Several of them show a similarity; others aim at making more exceptions regarding possession of prohibited weapons. There are already thousands of prohibited weapons in Canada, and there is no real control nor safe storage, not to mention that we may not even know who their owners are.

As regards certain paramilitary and semi-automatic weapons, again those who already own such firearms will be able to keep them. That is what this legislation says. Imagine: these people will become genuine gun collectors. Would you believe that the amendments and motions made here are aimed at making it even easier for those who would be entitled to buy prohibited weapons, to use prohibited weapons and to continue to keep them?.

I call upon all the members to unanimously reject that motion.

[*English*]

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I would not want to be sitting here while someone says to reject all of them. There are actually two government amendments here that are technical amendments.

I am sure if the member for Cape Breton--The Sydneys had a look at Motions Nos. 53 and 58 he would see that they are good technical amendments which improve this bill. I would urge hon. members to support them. With respect to the other seven, I do agree with the last speaker that the House should turn them down.

As well, I would like to clear up one misconception that may have been left with the House concerning the contents of this bill. I think the member for Willowdale said to the House that nothing is being done about smuggling in this bill. I just wanted to point out to him that there is section 95 which prohibits the importation of illegal weapons. We are increasing the penalty in that section from five years to 10 years and that deals specifically with the question of smuggling.

The member for Calgary Southwest, I might add, has been very active and interested in this subject right from the start. She and I were talking about Bill C-80 and commenting on what an improved bill this is. I think all members of the House would agree that this bill is a more effective piece of legislation. I thank her and others who have made recommendations and who have been interested in this. The member pointed out to me that she thought she heard the member for Willowdale say there would be no trading within the grandfathered class. I did not hear it myself. I was checking on something else.

The hon. member is shaking his head. That is fine. I just wanted to make sure the House did know that within the grandfathered class there is trading within the members of the class under this bill.

With respect to the seven amendments by the member for Kenora--Rainy River, the gist of what he is suggesting is to strip the Minister of Justice of the ability to prohibit magazine size. While the bill does not set down any restrictions in this regard, it certainly gives the power to the minister to prohibit certain magazine clips.

The minister has announced that she would eventually formulate regulations with the following limits. For magazines for centre fire semi-automatic rifles and shotguns there would be a five-shot limit. For magazines for rim fire rifles, non-semi-automatic rifles and shotguns, there would be no limit. I have been to a number of different communities and there seems to be some confusion about that last point. The magazines for handguns would be limited to 10 shots.

I would like to point out one thing to the House. In setting those limits I have had individuals ask me how this would affect people who are involved in shooting as a sport or as a recreational activity. I want to let them know first of all that as far as our international competitiveness is concerned, no event sanctioned by the International Shooting Union will be affected by these limits. Not one event sanctioned by the International Shooting Union will be affected by these limits. As well, no competitions sanctioned by the International Olympic Committee will be affected by the proposed limits of the Minister of Justice. As I say, when hon. members are considering that I think they should keep that in mind.

I believe that most hunters use magazines with a capacity of two to four shots. That is common among hunters.

An hon. member: Three.

Mr. Nicholson: The hon. member points out to me that migratory bird hunters commonly are limited to three-shot capacities. I do not want the impression to be left with individuals who have a legitimate interest in hunting or sporting purposes that somehow the government is trying to interfere with that very legitimate pursuit.

I cannot agree with the hon. member for Kenora--Rainy River. I hope the House turns down these amendments. I can tell him that there are many Canadians who would like to see a complete prohibition of semi-automatic firearms. I can also tell him that limiting fire power is less restrictive than prohibiting semi-automatic weapons. I think hon. members should keep that in mind when considering this matter.

It is a balanced package that we have here. Except for those two technical amendments that have the support of the hon. member for Cape Breton--The Sydneys, Motions Nos. 53 and 58, I would ask the House to reject the other seven that we are discussing in this package.

[*Translation*]

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, further to the speech of hon. member for Rosemont, I would like to say a few words. If you take a look at the motions tabled by the hon. member from northern Ontario, you will notice that Motions Nos. 4, 11, 17 and 54 are designed to prevent regulating magazines when the firepower of a gun can be assessed by the capacity of the magazine it can use.

The government wants to regulate this firepower by limiting the magazines capacity to a reasonable level, depending on the needs of the users. This is an important aspect of the public protection strategy, particularly Motion No. 4 which is aimed at allowing large capacity cartridge magazines.

Members of this House just cannot vote for such motions. The firearms control coalition has done a good job with very limited means. The hon. member for Rosemont has explained them very well and they must be defeated.

[*English*]

Mr. Ian Waddell (Port Moody--Coquitlam): Mr. Speaker, I rise to speak on this amendment of the Liberal member for Kenora--Rainy River. He would eliminate the enabling power in this legislation for the minister to ban large capacity magazines of the type Marc Lepine used in Montreal.

The bill creates the enabling power to ban large capacity magazines through regulation. It is not done in the bill. It is going to be done by regulations. The minister, however, has indicated that she is going to propose the prohibiting of all handgun magazines that hold more than 10 centre fire cartridges and all magazines for semi-automatic long guns that hold more than five centre fire cartridges. That is what she proposes to do. The question then is: What about competition shooters? There is a legitimate objection. We have amended the bill so that there is a specific exemption for legitimate competition shooters. They need not worry.

• (1830)

There has been concern expressed by some firearms groups that the magazine size would apply to rifles they already have. An example would be the bolt action Lee-Enfield. An extremely rare semi-automatic rifle called the Charlton may use the Lee-Enfield magazine. The concern was that the Lee-Enfield would be caught up in the prohibition because of the possible use of the magazine in the Charlton.

I put this question specifically to the minister. The minister and the parliamentary secretary assured me directly that there was a commitment that the Lee-Enfield would not be affected. I think that disposes of two objections right there.

It seems to me that the member is wrong. It is ironic that he is opposing the proposal to ban high capacity magazines, because high capacity magazines surely are not needed for hunting. Legitimate hunters do not need high capacity magazines. They are used more in assault weapons.

It is true that some legitimate shooting competitions, particularly handguns, use large capacity magazines but that issue is addressed as I said with the exemption. As a member of the BQ said, Lepine used a 30-round magazine at the Ecole Polytechnique massacre. Three weeks ago in Texas, at that horrific massacre there, there was the use of a 17-round magazine.

Why ban large capacity magazines? Let us deal with the real issue. A ban on large capacity magazines is a

practical way of limiting fire power. "Fire power", to quote a background paper prepared for the special committee on Bill C-80, "is a combination of cartridge power, possible rate of fire and ammunition capacity". Limiting the size of a magazine is a reasonable alternative to banning semi-automatic weapons. Many semi-automatic weapons have common and legitimate uses in Canada. Rather than banning the weapon, the government has chosen to limit the fire power of semi-automatics in a way that will not interfere with hunting.

That is really the key and that is why I am opposing the Liberal motion and supporting this provision in the bill. There is a problem with an increase in firepower weapons in Canada. There must be a way of addressing such weapons that are already in the hands of Canadians.

In recent years a large number of military firearms have been in Canada from a number of eastern European and Third World countries in search of foreign currency. For example, the Norinco AK-47, a Chinese copy of the Soviet assault rifle, can be bought in Montreal for $450 according to the evidence we had in our committee.

This provision will limit the capacity of future firearms' design. Weapons are becoming more and more dangerous all the time. Even if the magazine proposal has a limited impact on existing weapons, it will have the effect of stopping future, unnecessary innovation and advanced fire power before they become a problem. It seems to me that is sufficient reason to support the proposal.

I want to close with two concerns that the member from Kenora had. It has been argued that the limit of five on semi-automatic rifles will affect built-in magazines. Images of thousands of rifles having to be destroyed have been put forward by the gun lobby. So hundreds get concerned: "My God, my gun is going to be destroyed". In fact evidence presented to our special committee suggested that in 1991 of approximately 2,600 makes and models of rifles only 28 would be affected. Some 26 of these guns are in the paramilitary class and would be prohibited or restricted in any event. Thus, of 2,600 guns only two versions of the Marlin Camp Carbine are affected. For this the Liberal member from Kenora wants to eliminate an important element of the bill. It seems to me he has not thought it through.

Groups have raised the issue of magazines that can be used in semi-automatic and non semi-automatic firearms. Only one firearm, the Lee-Enfield, has been identified as a problem, and I already explained how I put this question to the minister.

I listened to what the member said and I think he addressed some concerns, but I think they have been dealt with. We try to deal with them in amendments we fought for in the bill, and we got them. As I said, the alternative would be to ban semi-automatics. The government has chosen not to do that. Legitimate hunters do not need large clips. Competition shooters are exempt and so I think the amendment should fall.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I also would like to speak to this group of amendments very briefly.

I had the pleasure of working for some months on the first committee with the first speaker on this, the hon. member from Kenora--Rainy River. I can attest that he did put some very valuable time in and was a valued member of that committee.

He also represents a constituency very similar to mine which is Cariboo--Chilcotin. Many of the people in his area as well as in mine depend for their livelihood on hunting and fishing and are very definitely considered to be in those areas where there is a heavy density of gun users. In many cases they are people who depend for their livelihood and their lives on the use of weapons.

In spite of the fact that we come from similar areas, and I understand totally where his concerns are with the imposition of new rules on the law-abiding people who have up until now been very wise and very safe in the use of their weapons, they have a very real distrust and in all cases a concern for these tougher changes to regulations that will be coming out through regulations.

I think there is a distinction that the hon. member has not made. In my area, and I am sure in his, in excess of 90 per cent of legitimate hunters and sporting people would not be the least bit upset if the change in magazine size as well as many of the other changes were to occur only to new guns being purchased.

Any self-respecting hunter who suggests they need more than a five shot clip would be embarrassed about it. They totally support the idea that for hunting, high capacity clips are not required. We have already made allowances for legitimate sporting events. Even in the

gun community a high percentage of the people, perhaps in the high 90s, would support very tough legislation as it pertains to the magazine size in particular.

I believe the only problem comes in enforcing a change in magazine size for the existing stock that is out there. On that I share the concerns of the member for Kenora--Rainy River, but I do suggest that the changes coming down are going to be coming through regulation that we as a House and our committees will have a chance to review.

I would ask that all members of the House recognize when these changes are made that there are legitimate, law-abiding people out there who do own these weapons and that they could be made to suffer inconvenience based on what these regulations do say. Therefore, we should always keep this minority of Canadians in mind when we make those changes.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 4. I remind all members that a vote on Motion No. 4 will apply to Motions Nos. 11, 17, 54, 55, 57 and 62. Is it the pleasure of the House to adopt the motion?

• (1840)

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

Motion No. 4 negatived.

[*Translation*]

Hon. Benoît Bouchard (for the Minister of Justice and Attorney General of Canada) moved:

Motion No. 53.

That Bill C-17 be amended in Clause 34.1, in the French version, by striking out line 14 at page 39 and substituting the following therefor:

«présente loi, est abrogé et remplacé.»

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion No. 53 is agreed to.

Hon. Benoît Bouchard (for the Minister of Justice and Attorney General of Canada) moved:

Motion No. 58.

That Bill C-17 be amended in Clause 38, in the French version, by striking out lines 35 and 36 at page 42 and substituting the following therefor:

«en gros ou au détail, d'armes prohibées--au sens de l'alinéa *f*) de».

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion No. 58 agreed to.

The Acting Speaker (Mr. DeBlois): We will now proceed to the consideration of Motions Nos. 6 and 7 which have been grouped for debate purposes.

Mrs. Pierrette Venne (Saint-Hubert) moved:

Motion No. 6.

That Bill C-17 be amended in Clause 2 by striking out line 10 at page 3 and substituting the following therefor:

"(ii) on May 1, 1992, the firearm".

[*English*]

Mr. Ian Waddell (Port Moody--Coquitlam) moved:

Motion No. 7

That Bill C-17 be amended in Clause 2 by striking out line 10 at page 3 and substituting the following therefor:

"(ii) on March 1, 1992, the firearm".

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, so we speak on Motion No. 6 which, in relation to the new section 84(c) of the Criminal Code, will have the effect of restricting the use of modified semi-automatic arms. What we asked was that modified semi-automatic arms,

that is automatic arms that were converted to semi-automatic arms, be banned. The minister did not think it was necessary to do that. Instead, it was decided to make them restricted arms.

We might as well try to do our best with what we have in that section.

Thus, it is provided in that section that it comes into force on October 1, 1992. My motion provides that that section should come into force on May 1, 1992, that is as soon as it is reasonably possible. Naturally we will see in a moment that my colleague from the NDP asks for an even sooner date for the coming into force of this section, but that seems to me to be a little too soon for people of the government.

I thought I would be very tolerant and I agreed that May 1 would be an excellent date for that section to finally come into force. The sooner it will come into force, the sooner we will be able to control the sale of arms. That, I think, is the purpose of this section and in any case it is the purpose of my motion, that we should act as fast as possible.

Moreover, I think October 1, 1992 is a bit awkward since in Quebec--it is unfortunate that our friend from Abitibi is absent--the hunting season opens in October. I believe it would really be unwise to specify a date after the beginning of the hunting season because I understand these firearms are sometimes used for hunting. I am not too inclined to believe that is the case, but it is what I have been told. I suggest that if those weapons are really used for hunting it would not be possible to enforce such a requirement as of October 1. It would not be feasible.

Besides, those guns are assault weapons and have no legitimate use in Canada. We have been saying so for a very long time. Here is a list of groups who have also claimed the same thing for a long time.

The petition circulated by the students of the Polytechnique asked for the banning of such guns. Furthermore, the Canadian Association of Chiefs of Police, the Canadian Police Association, the Canadian Bar Association, the Canadian Criminal Justice Association, the Caucus of Mayors of Major Cities, the Solicitor General of Alberta, the Chief Firearms Officers for British Columbia and Alberta, the National Association of Women and the Law, the Coalition for Gun Control and the *Comité pour le contrôle des armes de Polytechnique* have all asked for the banning of those firearms.

Of course, it is obvious that unfortunately their calls were not heeded. Since we are stuck with that section because the Conservative government did not want to listen to people, we ask that at least it proceed as fast as it can.

I also wanted to say that converted automatic weapons, or modified semi-automatic weapons as they are called, were declared illegal by a Court of Appeal in at least one province. We could say that in that case there is an unfortunate regression. While the rest of the bill represents a big step forward, in the case of converted automatic weapons it goes against the decision of the Court of Appeal of one province.

I would also like to say a few words about those who object to a stricter control on firearms. Here is a really remarkable piece of literature. It is a letter that I received from the National Arms Collectors' Association. In that letter, the Association mentions that it also represents the National Firearms Association, the Ontario Federation of Anglers and Hunters, the Ontario Arms Collectors Association, the International Practical Shooting Association and the Shooting Federation of Canada.

The association writes that it represents all those people. The letter is addressed to all the members of the legislative committee which studied Bill C-17. In that letter the association tells those members that, if they vote in favour of the bill, in the next election it will do everything it can to remind Canadians of the terrible and ungrateful thing they did to the people who had elected them so generously.

It is a form of threat that I find unacceptable in 1991. It is unfortunate that such a letter was sent to the committee members. I do not think those people had the nerve to send it to all members of this House.

Of course the letter was in English. They are unilingual, that is for sure, but I could just read it to you. The sentences are a bit long. I would say it is not well written. I will not quote the text literally but I think that I explained its content, namely the threats made to members of Parliament who would decide to vote against Bill C-17.

I do not think that the Conservative members will be intimidated. I believe that they are strong enough to vote

according to their conscience and I am convinced that they will not let themselves be influenced like that.

Those of us who are concerned, I mean the people who are not afraid of the National Arms Collectors' Association, asked that the legislation provide storage standards. Unfortunately, again, we will not have those standards in the act; they will be included in the regulations. We made all kinds of compromises and we tell ourselves that we will make another one.

We know it is important that it should be done through regulations, since it cannot be done directly through the act. I talked to people I know and they told me that, unfortunately, they store their firearms without unloading them. It is inconceivable, but these things happen. We must have regulations. Obviously we will not be able to check every house, but that is not the objective. The objective is to make people aware. That is what is important.

In conclusion I want to say that it was also necessary to make the population understand that having a firearm is not a right but a privilege. This is not the United States where the right to own a firearm is enshrined in the Constitution. Indeed, the second amendment gives the right to Americans. We are not in the United States. This is Canada and the bill shows that, without saying it explicitly as we would have liked. In any case we will again make a compromise and accept that legislation.

Those are the comments I wanted to make on these motions.

[*English*]

Mr. Ian Waddell (Port Moody--Coquitlam): Mr. Speaker, I would like to speak to my motion on this matter. The motion standing in the name of my hon. friend from Saint-Hubert, who just spoke, and my motion are grouped together for debate.

What happened was that this bill was supposed to come into effect. It deals with converted automatics. The whole point of this bill is that these military assault weapons are flowing across the border. They normally would have been prohibited because they were automatic weapons but people converted them to semi-automatics to get around the law and they flooded into Canada. The government does not want these guns in Canada. That was one of the biggest parts of this bill.

In committee the government moved to extend the deadline for registering existing converted automatics. You can keep these guns now if you register them. The deadline was moved from December 31, 1991 to October 1, 1992, a full eight months.

My friend proposes amendments that would bring that deadline back to May 1. My amendment would bring it back to March 1, 1992.

Just before I get into that part of it, I would like to say that I had a motion that would have eliminated entirely the grandfathered clause for converted automatics. Converted automatic weapons are remodelled to get around our present law prohibiting automatic weapons. There is no place for these weapons in Canada. They should be prohibited and an amnesty should be offered for a limited time period so that they get right out of Canada.

Mr. Lorne Newson, chief firearms officer for British Columbia, said in a brief to our special committee: "In the first place these people were very much aware", that is people who were bringing these guns in, "that they were skirting the law by buying superficially modelled machine guns. They are deserving of no sympathy".

Converted automatics are treated as illegal weapons today, for the most part. There is real concern, as a matter of fact, that this provision in this bill will weaken and overturn our case law. I point to the case of The Queen *v.* Global Arms.

My amendment to cut this grandfathering was supported in the committee by the Polytechnique students, the Canadian Association of Chiefs of Police, the Canadian Police Association, the Canadian Bar Association, the Canadian Criminal Justice Association, the Big City Mayors Caucus, the Solicitor General of Alberta, the National Association of Women in Law, the Coalition for Gun Control and many others. I am sorry the government did not listen to them.

Let me turn to the particular amendment that I have proposed to reduce the deadline to March 1, 1992. The government extended the deadline for registered

converted automatics, that is the grandfather clause, from December, 31 to October 1, 1992. My amendment would limit this extension to March 1, 1992. The government argued that it would give people more time to learn about the proposal and to register their weapons. It also gives them more time to obtain the weapons. The history of this proposal seems to contradict it by saying no more can come in. Why? Because the government said no more can come in. You have to have a law, my friend, to say that. You cannot just say no more can come in. You could bring them in and say "you can't seize these, Mr. Customs Officer, give me the law. There is no law." The law here will be in this bill. That is a nice pious wish but that is not the law.

The history of this proposal seems to contradict what the government is doing. In May 1989 then justice minister Doug Lewis announced the government would ban converted automatic weapons. In June 1990, another year later, this Minister of Justice, the present minister, tabled Bill C-80 which prohibited converted automatics and the minister said they would have to be registered by June 1991. That was four months ago.

Bill C-80 died. The minister then tabled this bill, Bill C-17, in June. She said the deadline for registering existing weapons would be December 31, 1991. Then in committee she extended the deadline to October 1992.

Surely enough is enough. Owners of converted automatics have known about this proposal for two and a half years. It will be three and a half years by the time October 1992 rolls around. There is no need for more delay. My motion would give people enough time to register their weapons without any more needless delay. It is outrageous that the government has extended the deadline. If we are going to get serious about gun control and these guns flowing across the border into some of our large cities and causing crime in some of these cities, we have to act now.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, first of all I am very pleased that both hon. members want to see the government's legislation enacted as soon as possible. With that sentiment I am in agreement. The question is just when is it a reasonable time for us to have this new regime up and running. It is not just for the gun owners that we are proposing the date that we are, it is for the police and the people who must administer this.

I have been involved with this area for the last couple of years, and neither I nor any member of the government has any interest in delaying it. We want to pick a time that is realistic. We have guns here now that will have to be registered, guns that will have to be inspected and people who will want to be a part of the grandfathering clause may have to set themselves up as genuine gun collectors. We have already agreed, the committee agreed, that there would be genuine gun collectors. People who are converting their guns will have to make sure that it is properly converted because they do not want the thing seized later. That is why we are suggesting this. We expect this bill to be passed by Christmas and we want to give ourselves, the public, the police and everyone else about nine months.

Nobody benefits from having the police swamped in the first two months, as they would be under this bill by people trying to register their firearms, people trying to get them inspected, making sure that they have been properly converted and getting themselves registered as genuine gun collectors. This system could not possibly operate in its first few months.

• (1900)

We do pick a realistic day. We have suggested October 1992 which will put everyone on notice. I want to assure the hon. member for Port Moody--Coquitlam because he made reference to the fact that converted automatic weapons have been coming into Canada from the United States.

I can tell him that customs officials are stopping the importation of additional firearms.

An hon. member: Which law is it?

Mr. Nicholson: They are basing it on the court decision in Alberta, the Global Armaments case. As the hon. member knows, there is another decision in the province of Ontario that perhaps was not entirely favoured. In any case, Canada Customs has stopped the flow of these types of firearms into Canada.

It seems to me that before the court process goes any farther we should get this bill passed because I think it clarifies what it is we are prohibiting in Canada. I think it complements the existing judicial interpretation up to this point.

I do not want people to be left with the impression that somehow these things are pouring across the border. They are not. On the other hand, we have to pick a date

that is reasonable to have this whole regime up and running.

If some members say they do not want the grandfathering clause, I can see how we might have a system in three months in which everything is just being seized and destroyed presumably without compensation. Perhaps that might be another amendment.

We have agreed that there will be a grandfathering provision. We are setting up a regime. We are notifying people what it is we want, and there is no point to having the police and everyone else involved with this swamped with a hopeless situation in two or three months that they cannot possibly administratively handle.

I think it is better to pick a realistic date which October 1, 1992 is. I hope the House will reject both these amendments.

[*Translation*]

Mr. Benoît Tremblay (Rosemont): Madam Speaker, I am sorry to hear what the hon. parliamentary secretary to the Minister of Justice has to say. If the problem is the transition period, because of the grandfather clause that lets owners keep altered firearms, this bill could be brought into force sooner to prohibit acquisition of more firearms. After that date, offenders could have a transition period, a kind of 48-hour notice like the one for a defective light on a car. But it would be more reasonable to have a two-to three-month notice.

This bill allows people to continue to buy firearms and maybe buy more, especially for the new hunting season next fall. If the acquisition of new firearms were prohibited this coming spring, there would be no problem.

Unfortunately, the hon. parliamentary secretary has already made up his mind. He is not listening. Maybe I should switch to English. His argument is obviously faulty. What we want to do is to prohibit the acquisition of new firearms of this type as soon as possible, because we were unable to ban them altogether.

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, these motions aim essentially at changing the deadline for registration of converted semi-automatic weapons. The deadline would be October 1, 1992, according to the bill, and Motions Nos. 6 and 7 suggest advanced dates.

Is it reasonable to give eight to nine months to those who until the law is passed are perfectly legitimate owners of these weapons, to register them in order to be allowed to continue their peaceful possession?

These weapons cannot be registered before the law is passed and they must be inspected before registration.

For me, October 1 is a difficult date. In the north of each province, in Quebec, for example, and in some parts of the south, October 1 is hunting time. In Quebec the hunting season begins often around October 15 for bow hunting and around October 25 or 26 for rifle hunting. For me, this date is a problem. It must advanced.

[*English*]

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Madam Speaker, I just wanted to take a few minutes to say a few words with regard to Bill C-17 and the couple of amendments on the floor right now.

My involvement with firearms legislation has gone on for a number of years and indeed before Bill C-80 was tabled a year or two years ago. I have spent quite a bit of time meeting with the Calgary Police Force, the gun club personnel of southern Alberta, competitive shooters, gun associations, and firearms dealers throughout the province of Alberta. These people have been very concerned with regard to any changes in the old firearms legislation, but of course public safety is first and foremost in everybody's mind.

One thing that crops up in Alberta has to do with citizens' rights and a law that will have an effect upon sincere, law-abiding citizens and no affect upon the criminals. Madam Speaker, as you well know, within the legislation there are three or four clauses that discuss the careless handling of firearms, the storage of firearms, importing or delivering prohibited weapons and making automatic firearms. The penalties have been strengthened and we are coming down harder on the criminals, but as the parliamentary secretary has said the administration of justice is under provincial jurisdiction.

I know that the Minister of Justice has been working with the attorneys general and I would hope that these more severe penalties would come into force appropriately.

I also have to make a comment with regard to people saying that we are banning, eliminating or removing certain types of target ammunition. The bill does allow Orders in Council or the Minister of Justice to prohibit certain types of ammunition, but the only one that I am aware of is the cop killer bullets, the one that pierces the armour of our police officers. Any further prohibition would have to be put forth in the regulations and would come before this House for debate.

The time that the hon. member for Saint-Hubert asked for it to come into force was May 1, 1992 and the bill stipulates October 1, 1992. There are many Canadians who own firearms, store them extremely safely and are law-abiding citizens. We have to come forth with the regulations that will define a legitimate collector and bring forth the safety regulations with the FAC. This is another area, the firearms acquisition certificate. Anybody, after this law comes into force, who is purchasing a new weapon will have to have an FAC. We will have safety regulations. We are presently working with the various provinces, the gun clubs and the professional people to set up a type of schooling so people, prior to purchasing new weapons, will have to prove their knowledge of firearms and their ability not only to store it safely, carry it safely, shoot it safely, but know all the working parts of it. I must say that I have worked a year and a half or two years with regard to this. I know there are a lot of concerned citizens in my riding and right across Canada. The charter of rights certainly protects all citizens. There will be no search and seizure or people knocking at your door demanding to see the firearms. That is not what the bill says at all. It says that they would want to have the ability to review the collectors, the types of firearms the collectors had and whether they meet the criteria. This can be arranged on a very friendly basis. There is no such thing as search and seizure as some people are saying.

• (1910)

I would like to say that I am a hunter. I have been for years and years and I do own shotguns. I have four youngsters. Mind you, they are all grown up but they have grown up in a house where there were shotguns. They were all taken to gun clubs. They were taught the safety of these shotguns. They were taught how to store them, how to take them apart and how to clean them, because they have to clean my shotgun. That is part of the deal. We do have safe storage in our house. The shotguns are stored in a gun case with a lock and key. Our guns are always clean. The chambers are empty and indeed are left open at all times. I cannot say that I have done everything perfectly, but there is one thing that my youngsters have learned, that they treat a gun as if it is always loaded. You never ever point a gun at anyone; the gun is always loaded. Indeed, touch wood, we have been very successful so far.

I must say that I am very proud of them. I do believe that a lot of my fellow constituents are safety conscious, understand and know the operation of shotguns. In no way is this bill going to prohibit or limit their ability to enjoy migratory shooting.

What we have moved in is the safety of Canadians all along since the last firearms legislation. I just learned today that since 1896 we have had firearms legislation in Canada. Owning a firearm is a privilege. It is not a right, as the hon. member mentioned earlier. We have had firearms in this country for about 94 or 95 years. It is a privilege, not a right.

I support the bill. A year and a half ago I had a lot of qualms, difficulties and concerns. Bill C-17 is far improved over Bill C-80.

An hon. member: The minister listened.

Mrs. Sparrow: The minister did listen to us. In no way are we coming down against the honest, law-abiding citizens. Criminals have been targeted. We will work with the attorneys general. The penalties are stiffer. It is up to the provinces to implement those penalties. I think we can see a much safer society where we all respect one another.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The question is on Motion No. 6.

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

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

Some hon. members: On division.

Motion No. 6 negatived.

Madam Deputy Speaker: The next question is on Motion No. 7.

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

Some hon. members: No.

Madam Deputy Speaker: I declare the motion lost.

Motion No. 7 negatived.

[*Translation*]

Mr. Francis G. LeBlanc (Cape Breton Highlands--Canso) proposes that:

Motion No. 12.

That Bill C-17 be amended in Clause 4 by adding immediately after line 16 at page 6 the following:

"(3.3) Subsection (1) does not apply to a person who is in possession of a firearm that is a prohibited weapon by virtue of paragraph 84(1)(c) or an order made under paragraph 84(1)(e) and who lawfully disposes of the firearm thirty days after paragraph 84(1)(c) comes into force or the order is made, as the case may be, provided the firearm was lawfully possessed by that person before that time.

(3.4) Subsection (2) does not apply to motor vehicule in which there is a firearm that is a prohibited weapon where by virtue of subsection (3.3), subsection (1) does not apply to the person who is in possession of that weapon."--

He said: Madam Speaker, I appreciate the opportunity to speak for my amendment, Motion No. 12. This amendment, like the others that I proposed, aims at reinforcing the legislation and has been motivated by representations that I received during the development of this bill from citizens of my constituency.

[*English*]

My constituents in Cape Breton Highlands--Canso, like all Canadians, support strong effective gun control legislation. This includes experienced hunters, competition shooters and weapons collectors who responsibly purchase and use weapons for sport or for pest control. They abhor the kind of tragedies that occurred at the Ecole Polytechnique. They want to end the criminal use of firearms to kill innocent Canadians, but they do not believe that restricting the use of certain firearms by itself will achieve this objective.

Our law enforcement, our criminal justice and our parole systems have to act to protect the victims of crime and to deter criminal activity. Training should accompany the use of firearms. Regrettably training has been insufficiently addressed in this legislation.

As well hunters and sportsmen, particularly those living in rural areas, want to feel that every effort is being made by the government to recognize and understand their particular situation. Many of the new elements in Bill C-17 are seen by the hunting and sporting community in my riding as creating an inconvenience or intrusion on their activities. I think we all acknowledge that gun owners will be inconvenienced. We all acknowledge as well that this is a price worth paying for making firearms in Canada much safer.

There are limits to what legal gun owners can and should be asked to do. We are asking that they meet a host of new FAC requirements and that they meet conversion and safe storage standards, which have not even been determined yet let alone made known to the general population. We are asking that they comply with regulations that will prohibit some of the guns which they purchased legally in good faith and often at great expense.

As drafted Bill C-17 requires those in possession of weapons prohibited by this legislation to turn in those weapons as soon as the bill is proclaimed as law or be liable to imprisonment for up to 10 years.

I believe this is unnecessarily rigid. I believe that granting at least a 30-day grace period following the proclaiming of the legislation to enable owners to dispose of their weapons properly would be appropriate and would help alleviate the perceived unfairness by some gun owners of certain elements of this law.

Many constituents have written to raise concerns about becoming criminals overnight as a result of this legislation. For example, C. S. Halet of Country Harbour has written to say: "Many hunters and gun owners are not criminals and do not want to be made ones by new firearm restrictions".

Gun owners whose weapons have been declared prohibited will need some time to make the necessary decisions. They will have to ask themselves several questions: "Can I convert my weapon?" Perhaps, but conversion standards have not been determined yet. "Should I sell my gun to a genuine gun collector?" Maybe, but this is a new element to firearms control and it will take a little time to organize a structure and a system through which these guns may pass.

• (1920)

"Should I turn my weapons in to the authorities?" Perhaps a great deal of money was spent on these weapons. "I live many miles from the nearest firearms officer. Should I take the chance of being caught with a prohibited weapon in the trunk of my car while taking it to hand it in?" Technically you are a criminal or you are committing a crime. But if a 30-day grace period existed, you would be free to travel to local authorities when you can to remit your gun.

Gun owners will need time to think, decide and act. Once a new regulation comes into force prohibiting guns, the present owners of these guns who bought them legally and in good faith are now violating the law. With a 30-day grace period they would have time to dispose properly of the guns and avoid becoming criminals. Even if they are not apprehended by police, they feel in their hearts that they are criminals and that is offensive to them.

If they are stopped by authorities they face up to 10 years in prison. Is this fair? Police usually unofficially allow this kind of grace period but they have the authority to enforce the letter of the law if they so wish.

I want to change the letter of the law to protect honest Canadians. Most gun owners are not criminals and we must give them every opportunity to avoid becoming criminals.

There is one final but important point I would like to make. I originally submitted this amendment as a point of reference in the legislation to accommodate my proposed motion dealing with financial compensation. That motion would oblige the government to provide fair compensation, determined by regulation, to gun owners who have to turn in weapons because they have been declared prohibited. The amount of compensation would be determined by regulation in accordance with fair market values for these weapons.

Financial compensation was called for by virtually all letters I received on this bill. It was recommended by the special committee studying Bill C-80, the predecessor legislation. It would encourage compliance with the law. It would act to prevent a black market in these weapons and it would be fair to gun owners who purchased these weapons in good faith.

Unfortunately financial compensation is not provided for in Bill C-17 so my motion has been declared outside of the scope of the bill by Mr. Speaker's ruling. I have no quarrel with that ruling but I do believe the absence of a provision for financial compensation is a substantial weakness in this legislation and I would urge the government to correct this weakness in subsequent legislation.

In any case, the 30-day grace period provided for by my proposed motion would by itself be an act of good will toward legitimate owners of now prohibited weapons. I believe it would facilitate and encourage the safe withdrawal of these weapons from circulation, which is the purpose of the legislation. I hope all members will support my motion.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I am not in support of the hon. member's motion because I think it is unnecessary. There is a provision in the current bill for an amnesty power that I think provides more flexibility to the Minister of Justice. She has indicated her willingness to use it. She can declare an amnesty for periods longer than 30 days. So on that count alone, I do not think it is necessary.

To be more specific and use an example, in the case of a firearm that was prohibited by an Order in Council, the procedure we have set out in this bill will take care of that. Hon. members will remember that at the committee stage we agreed to an amendment that would allow for the pre-publication of regulations. Now if we were prohibiting a certain type of firearm the pre-publication itself puts people on notice of the government's intention. The hon. member would know that when we set a date for proclamation there is a bit of a delay between the time we pass it and the time it is proclaimed. We are giving notice again on a second count to anyone who might be affected.

The hon. member knows of the discussion that we just had on the last two amendments about the closing date for the case of converted automatic weapons. We have set that at October 31, 1992. It seems to me that whether it is the amnesty or the pre-publication of the regulations that might prohibit a weapon, as well as the postponing of the closing of a class for converted automatic weapons, that the bill itself now has more provisions, and I think provides greater flexibility.

I say with respect to the hon. member that I do not think his amendment is necessary.

Mr. Russell MacLellan (Cape Breton--The Sydneys): Madam Speaker, I listened to my colleague, the member for Cape Breton--Highlands--Canso present his amendment which I think is very important, quite in order and necessary. It is a concern among the population of Canada that when this bill comes into effect they will be considered to be breaking the law.

It is of considerable concern to a great many people. He mentioned the people in his riding. I can assure you there are law-abiding citizens in my riding and in other ridings right across this country who want to feel and know that they are doing the right thing.

The hon. parliamentary secretary has stated that there is provision for an amnesty in Bill C-17. But there is no assurance that an amnesty is going to be called right away, so the minister has that discretion.

The discretion is that she can call an amnesty whenever she thinks the amnesty is in the best interests of the country. That is a subjective decision of hers and more broadly probably the government's.

The parliamentary secretary has also stated that when the bill is proclaimed there is a period of time before the proclamation when the regulations are brought forward after they are recommended by the department. If I am not mistaken it is before they go to cabinet, which is important.

These points are true. While they are important, there is still this period of time when the bill comes into effect, when people of this country want to be assured that they have time to turn in these firearms and not be considered to be breaking the law.

I think a period of time is important. The hon. member for Cape Breton--Highlands--Canso has been very reasonable in asking for only one month. I think one month would certainly be suitable. I do not think he is asking too much of this House and of the government to have this one month period.

He also mentioned an amendment which he brought forward which was ruled out of order regarding compensation for the firearms that are being prohibited. We may find these firearms offensive. We may find the semi-automatics that can be converted to fully automatics offensive and we may say that people should not have purchased them.

Perhaps they should have even known that sooner or later they would become unlawful. That is not the point. The point is that these people purchased these firearms when these guns were within the law. They had every right to purchase these guns. They were doing so because these were advertised in this country for sale. They purchased them and were quite within their rights and within the law to do so.

Now we are saying that they have to turn in these firearms which they purchased lawfully. Some of them are worth $700 and $800. If we want this bill to work the way we feel it should, we are asking these people to turn in a piece of their personal property. Perhaps it has sentimental value but it is valuable to them certainly through the sheer weight of the money they spent to purchase this item. We are asking them to turn it in for nothing.

That is asking a lot. I do not know of a precedent for this, unless we look at the last time that an amnesty for firearms was brought forward. We know what happened then. A lot of the firearms and automatics at that time were not turned in. In fact they are still wrapped in burlap on top of a shed or a barn or under a floor board somewhere.

They were not turned in because no one was going to turn them in. A lot of people were not going to turn them in without adequate compensation or at least even partial compensation.

There are people who say: "If we pay for these firearms, then we are inviting illegal firearms to come in from the United States into Canada and then be sold in the amnesty. We are paying the cost for illegal firearms that entered the country through the back door".

I do not think that this is reasonable if we have an amnesty of an exact period of time. I think we have to give these people the right to some compensation for their firearms. I just want to say that I think this is a good amendment. I would have hoped that the government

would have supported it, and I still hope the government will.

• (1930)

Miss Deborah Grey (Beaver River): Madam Speaker, I would just like to make a few comments as well about this amendment that has been brought forward regarding in effect property rights, that is when somebody owns a gun that the government decides should be turned back to them.

When I think about the recent constitutional proposals that were brought forward in terms of property rights, where the government in fact is looking at fair and just compensation for any takeover of property, we could look very, very soundly and strongly at a real correlation here in terms of taking back weapons that people have paid their own money for and which is their own personal property and has been acceptable up until this point.

When we think about the Minister of Justice, which the parliamentary secretary referred to, in terms of granting amnesty for 30 days or whatever, I would think that we are probably being witnessed tonight by people watching this on television who own some of these guns and who are asking: "Why is it I should turn this back in?" How is it that the Minister of Justice would be able to grant amnesty purely on a subjective basis, if she decided to do this or not. What are there in terms of rules and regulations? What further then do we see for Order in Council regulations being put?

People from my riding are expressing concern about this very issue, as well as the whole broader scope. When this legislation is put in place, what will become of all the regulations that will be put in place simply by Order in Council? People are feeling frustrated about that. I know that I have been swamped by correspondence from people who are concerned about what is going to happen in terms of actual regulations, because they are not dealt with in the legislation, There is a certain frustration about that. As well as this idea, when people are collectors it is very near and dear to their hearts what will happen to this personal property of theirs. I think somehow the government should be thinking about intertwining the two; constitutional proposals about property rights as well as what will happen when these people have to give over weapons that they have had which are worth a great deal of money and sentimental value to them as well.

I would suggest that the government think seriously about accepting this motion.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those against will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 72(6)(a), a recorded division of the motion stands deferred.

Hon. Alan Redway (Don Valley East) moved:

Motion No. 13A

That Bill C-17 be amended in Clause 4 by adding immediately after line 16 at page 6 the following:

"(3) The said Act is further amended by adding immediately after section 90 thereof, the following section:

"90.1 (1) Where, pursuant to paragraph 90(3.2)(a), a local registrar of firearms refuses to authorize in writing that a person is a person who may possess a prohibited weapon referred to in that paragraph for use in conjunction with a firearm that is suitable for use in shooting competitions designated by the Attorney General, the local registrar of firearms shall notify the person in writing of the refusal and the reasons for it and include in the notification a copy of this section.

(2) A person who has received a notification referred to in subsection (1) may, within 30 days after receiving the notification or within such time as is, before or after the expiration of that period, allowed by a provincial court judge, request in writing the local registrar of firearms to refer the matter to a provincial court judge having jurisdiction in the territorial division in which the person resides.

(3) On a reference by the local registrar of firearms pursuant to subsection (2), the provincial court judge shall fix a date for the hearing of the reference and direct that notice of the hearing be given to the person and to the local registrar of firearms, in such manner as the provincial court judge may specify.

(4) In a hearing under subsection (3) the burden of proof is on the person to satisfy the provincial court judge that the refusal was not justified.

(5) Where at the conclusion of the hearing under subsection (3), the person has satisfied the provincial court judge that the refusal was not justified, the provincial court judge shall, by order, direct the local registrar of firearms to authorize in writing that the person may possess a prohibited weapon referred to in paragraph 90(3.2) for use in conjunction with a firearm that is suitable for use in shooting competitions designed by the Attorney General and the local registrar of firearm shall immediately comply with the order.

(6) Where a provincial court judge makes an order pursuant to subsection (5), the local registrar of firearms may appeal to the appeal court against the order and the provisions of Part XXVII except sections 816 to 819 and 829 to 836 apply, with such modifications as the circumstances require, in respect of the appeal.

(7) In this section "appeal court" has the meaning given that expression in subsection 100(11)."

He said: Madam Speaker, like all members of the House, I have been the recipient of a great many representations from people on both sides of this bill. Many people for and many people against this bill have put forward to me their concerns and their thoughts, and in each and every case I have made those known to the minister and as many as I could to the committee when it was sitting considering the bill itself. There were a number of suggestions made to me that I thought certainly should be incorporated in the bill and I had put forward a number of amendments to the bill. Unfortunately all but one of those has been ruled out of order by The Speaker, and so I have been left with this one amendment before the House this evening.

I might just say however that one of the other amendments in particular it seemed to me made imminent sense in light of the fact that Canadians are concerned about fighting criminals with guns and concerned about public safety. Surely the kind of legislation that we should be bringing forth here is legislation aimed at that sort of thing.

With that in mind, I did put forward an amendment which would have required where evidence became known to law enforcement officers that a firearm had been used in the commission of an alleged criminal offence, that a firearms charge would have to be laid in addition to all other charges and that where such a charge was laid the charge could not be withdrawn at a subsequent time once it had been laid. Unfortunately, that has been ruled out of order and is not before the House tonight.

I would hope that the government in its wisdom would introduce legislation of that sort very shortly after dealing with this bill.

The motion that is before the House tonight, however, in my name--and I thank the hon. member for Lethbridge for his second and his work in relation to this motion and amendment--creates an appeal process where, from a decision of the local Registrar of Firearms, where under the provisions of the bill as it now stands, the local registrar may allow a person, who is competing in a shooting competition, someone who has already received a firearms acquisition certificate, probably a member of a gun club, someone who has received all sorts of training on the weapon and is good enough to be competing in a shooting competition that has been authorized by the Attorney General of the province, to use a large capacity cartridge magazine. The local registrar can agree to that or he can reject it. If he agrees, he has to issue an authorization in writing and, if he does not issue that authorization in writing, then the person who wishes to compete using a large capacity cartridge magazine does not have the right to do so.

The decision then in the bill is an arbitrary one and at present there is no right to appeal that decision. My amendment would provide a right to appeal that provision to a provincial court judge and so forth in the same fashion with the same kind of an appeal process as is included in the bill already with respect to appealing decisions concerning firearms acquisition certificates. There is, as I have indicated in the bill, an appeal process where a firearms acquisition certificate has been refused for the person who has been refused to appeal that decision. This amendment would provide exactly the same appeal provisions with respect to someone who was turned down from receiving written authorization to use the large capacity cartridge magazine in a shooting competition that was authorized by the Attorney General.

It seems to me only reasonable that if we are going to allow this appeal procedure in relation to an FAC we should also be allowing it in this case as well. I understand that the government is prepared to consider this in

a positive vein and I would urge all members of the House to adopt this amendment.

• (1940)

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, that sounds like a reasonable amendment and I would support it.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I must say I was speaking to the hon. parliamentary secretary about this motion and I was kidding him about it. Quite seriously, this motion is reasonable and we certainly would be prepared to support it.

Miss Deborah Grey (Beaver River): Madam Speaker, I would like to thank the hon. member as well for a very reasonable and thought out motion. I would like to again encourage other government members to support that as well. I think it is excellent.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Motion No. 13A agreed to.

Mr. Bob Speller (Haldimand—Norfolk) moved:

Motion No. 19

That Bill C-17 be amended in Clause 9 by striking out line 28 at page 10 and substituting the following therefor:

"(3) Paragraph 97(4)(d) of the said Act is repealed and the following substituted therefor:

"(d) comes into possession of a firearm by operation of law and within a year thereafter, lawfully disposes of it or obtains a firearms acquisition certificate under which he could have lawfully acquired the firearm; or."

"(4) Subsection 97(4) of the said Act is".

He said: Madam Speaker, my motion is No. 19 and I will be speaking at great length later on in this debate, I guess it will be tomorrow, about my feelings on the bill.

I know full well that tomorrow night or Thursday morning this bill will pass.

I must say at the outset, however, that during my short term as a member of Parliament, just coming up to three years now, I do not think I have ever seen a piece of legislation like this that is so flawed and a piece of legislation that tries to do something that I do not think it is successful in doing.

I believe this is nothing but a bill to hoodwink the Canadian people into believing that the government is concerned about or trying to do something about gun control when it clearly is not.

If this bill is real gun control, then it must address gun control in four different areas. It must address the accidental use of firearms in domestic violence and suicide, and most important, in crime. This bill addresses none of these uses of a firearm, except by placing more stringent conditions on the acquisition of an FAC.

I believe people all across Canada are cynical and sceptical of their political leaders, not only because of the stands they take on one side of an issue or another, or on their political philosophy, whether it is from the left or the right.

They are upset with politicians because they feel they are not willing to take the tough decisions. They are not willing to come to grips with the real problems.

A real problem is the misuse of firearms in our communities, especially in urban centres.

We were talking earlier today about the GST. This is a prime example of where the government saw a need for money. People were crying for real tax reform and the government, instead of bringing in real reform, went to a tax gab instead.

I see this as a similar bill. It fails to address the real problems in our society. It gives Canadians a false sense of security that the government is actually doing something to stop violent crimes when in fact it is not.

I would suggest that in this bill the government is encouraging an underground network of illegal guns. If we as a society deem that we do not want certain guns, there are a couple of ways of getting rid of them. The government can use its heavy hand and come in and grab them and say: "We deem these to be not in the public's interest and we will take them". On the other hand it can invest in a system whereby it makes sure it gets those guns back.

A lot of these guns are very expensive. I do not believe that Canadians will be so willing to give these guns back. That is why I have put forward amendments to this bill similar to those put forward by my friend from Cape

Breton Highlands--Canso which would mandate the government to compensate these individuals.

The question I am talking about in this amendment deals with the situation of an elderly person who is a collector of guns and who becomes deceased. The guns then are left to his family. As the bill reads, and as the act is now, we are in a quandary. If the spouse does not have an FAC then legitimately the government can come in and take all that property. We could be talking about thousands and thousands of dollars.

What I want to do in this amendment--I say one year thereafter but I am willing to accept any amendments to that, whether it be three months or more--is give individuals some time whereby they could dispose of these assets or get an FAC. Right now persons would have to wait 28 days to get an FAC if they did not own one.

Legitimately this person will be holding illegal guns. I think this aspect was debated in committee but unfortunately it was never dealt with and the committee never really came up with any solution to a situation like this. I have talked to the parliamentary secretary about it and hopefully he will be able to talk to the minister about it and try to make some changes in the bill, whether it is through another act or through regulation.

In my last few minutes I want to take the opportunity to talk a bit about what some of my constituents have been saying because I, like other members of Parliament, have been inundated with letters from constituents about this. Remember that I am in a rural area. I think there are a lot of rural people who have legitimate concerns about this bill and how it will affect their lifestyles.

There is one gentleman who happens to be a gun collector. He says: "I would require genuine gun collector status which would be refused unless I consented to periodic inspections. It is curious that an honest citizen must open their door and have their privacy invaded. Yet a criminal's privacy is protected by the use of a search warrant or some other such device. There are too many non-defined areas that will be filled in after the bill's passing. For example, what will be prohibited? What is safe storage? This demonstrates no regard for the financial loss or limitation of real personal property to an honest citizen". That is one of the areas in which I tried to deal with an amendment. However, it was ruled out of order by the Speaker.

He states further: "C-17 creates a permanent jungle for the use of a firearm in competition. For example, a permit to a temporary store, a restricted weapon out of residence. This bill seems designed to disarm, over-regulate and financially devastate the honest Canadian citizen. It will redefine honest Canadians as criminals and punish them severely for things like paper work and storage infractions".

Another constituent writes: "Any reasonable resident of Canada wants to live in a society where violence has been curtailed to an irreducible minimum.

• (1950)

Whereas this bill has been touted as a step in the right direction, in reality it does nothing to support this most worth-while goal. It does not deter criminals from acts of savagery. It does not make access to firearms more difficult for criminals. It does not reduce the propensity toward violence that some members of our society persistently maintain. It does not protect us from members of society who, by virtue of mental illness or the abuse of addictive substances, commit crimes of violence."

Another constituent writes: "My husband and I have been sport shooters and gun owners for several years and as members of the Canadian shooting community are responsible and law-abiding people. Bill C-17 is designed to deceive the public, but it conceals the real purpose, whereby to create laws by non-democratic means, i.e., Order in Council, to confiscate at will millions of dollars worth of legally obtained firearms."

What she is talking about is the fact that when these people bought these firearms--and I do not collect firearms but I understand that these people have a legitimate brief with the government--they have legitimately collected these under the laws of Canada and will not be compensated for giving them back.

She goes on to say that many items of this bill are conceived by bureaucrats and politicians who have absolutely no knowledge of firearms and their use in our society. I think that is what the hon. member from Kenora--Rainy River has been trying to point out throughout this debate.

One last quote: "I am sure all non-criminal Canadians would like to see guns out of the hands of criminals and much more severe penalties for the criminal use of firearms. However, the latest Bill C-17 is a typical example of our government in action. Do not identify and tackle the real problem, which is the use of firearms by criminals. Instead, make more regulations in the bureaucracy to harass citizens who are the legitimate owners of firearms".

I think that really sums up my view on this bill. I have tried to point out in debate, and I will try it again tomorrow, that I believe very strongly that we need strong gun control and that this bill goes nowhere toward fulfilling that role.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I have just a couple of comments after listening to the hon. member for Haldimand--Norfolk.

He had several problems with the bill and I want to assure him that it is the government's intention to move ahead on the safety provisions. We want to make sure that people who are buying FACs in the future have taken a safety course, are properly certified for the safe handling of firearms, that they have knowledge of the safe storage provisions and that they know the firearms law. These all contribute to a safe and better society, and the government's intention is to move in that direction.

The hon. member said it does nothing for domestic violence. When we get to the prohibition sections, and I believe there is an amendment coming up that will direct hon. members' attention to that, we will see that these are the kinds of things that a judge has to take into consideration when imposing a prohibition order on an individual before the court. I think it is useful in that area.

As well, I am not going to take the time of the House but we have increased penalties across the board. People who commit crimes with firearms are not going to like Bill C-17 because we have upped the penalties all the way along.

Somebody asked me recently: "Why did you not do it for the top crime, robbery?" I said it is life now. You commit robbery with a firearm and the maximum sentence is life. That is the top end under our criminal justice system. Between that and the minimum sentence we impose of one year, we up the penalties for people who smuggle guns into the country, as I pointed out to the hon. member for Willowdale earlier in the evening, and for people who act in a way that recklessly disregard the safety of others. We have upped the penalties for that. For people who manufacture prohibited weapons, we have upped the penalties right across the board and I think most Canadians are interested in that.

I would like to deal with the specific amendment that the hon. member has.

I know what he is trying to get at. What happens is an individual might come into possession of a firearm and not have an FAC. You may have inherited this firearm if your spouse passed on. It may be a trustee in bankruptcy who might acquire firearms if he seizes the assets of a gun shop that went bankrupt.

The present law now before Parliament says that a person must act with reasonable dispatch either to dispose of the firearms they have come into possession of or get an FAC. We say to act with reasonable dispatch.

The problem that I would have, and I was talking to the hon. member earlier about this, is that if you have a one-year period you create a no man's land. Individuals can, for whatever reason, come into possession of these firearms and can go for a year. They cannot be touched by the police. They do not have to make the effort to do something about that in the same way they are required now.

I hope all members of the House say: "I think the way the government has it here is probably the best way." If you come into possession of these things, you must act with reasonable dispatch to either dispose of the firearms or to get an FAC.

I think it is a better way and as a result I hope the House turns down the suggestion.

Mr. Derek Lee (Scarborough--Rouge River): Madam Speaker, I wanted to speak very briefly to this proposed amendment because I think it at least places on the record a concern that a number of members on both sides of the House have as to the problem of people coming into possession of firearms, not because they went out and purchased them, but because they came into possession of them simply by operation of law.

Is a gun so evil that simply because it is found in your possession you suddenly become a criminal? Guns by themselves are not so evil that we should be placing that mechanism in law.

I just wanted to quickly point out the several ways—it is not a comprehensive list—that a person can come into possession of a firearm or any other piece of property simply by operation of law.

It could result by way of the execution of a trust whereby the property was put into the hands of a beneficiary. It could happen in the devolution of an estate, either by operation of a will or on an intestacy. It could happen in the movement of property under a bankruptcy. It could happen as a result of a sale in bulk in which a large bulk sale of property took place.

I suppose we could even talk about the ammunition magazine or gun clip that is being prohibited under the legislation now. It could happen when a creditor made a seizure of property where the creditor had a security interest. This could happen in all of the provinces across the country.

I just wanted the record to show that there are a whole lot of instances in which individuals, law-abiding Canadians, could come into possession of guns in a very legal way and they would then be belly-up against provisions of the Criminal Code that could see them charged as breaching provisions of the Criminal Code.

If this legislation is not going to be able to take account of the positions of those law-abiding Canadians then at least the record should show that we had an opportunity to address it here in this House.

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, I have an amendment to Motion No. 19, clause 9.

It is hoped that this amendment will help the government to see the importance of this particular motion and allow the member for Haldimand—Norfolk's motion to go through.

Basically what we are suggesting is that in (d) we replace "comes into possession of a firearm by operation of law within one year" with "comes into possession of a firearm by operation of law within three months".

It amazes me when I listen to members opposite. Pardon me if I sometimes sound like a constituent of Kenora—Rainy River, but only a lawyer would say that reasonable dispatch sounds good and is acceptable. If we ask ordinary Canadians out there what that means, they will not know what reasonable dispatch means.

• (2000)

I think it is important when we put legislation forward to the people of Canada that we make it as clear as possible and as simple as possible so that there will be no debate by the local registrar of what is acceptable and what is not acceptable. There are enough words in this legislation that are going to give people a rough time without having to add reasonable dispatch. That could mean in Toronto in about two years from now. In a community like Kenora it could mean two weeks. That is the difference in what we are talking about as far as getting an FAC is concerned and the abilities to check into it.

If we are creating a 28-day waiting period, I think it is important that we put in the allowable time where a person has to go and present themselves to take a course in order that they can keep a particular firearm which may have been given to them by someone such as their father or may have been inherited.

The whole object, I would think, of members opposite and of the government is to get people to want to participate in the process of registering their firearms. I was going to speak on the previous member's intervention on Motion No. 12 by indicating that if they make it so difficult people will just go underground with their firearms and will not bring them in. I think this is a very suitable motion and amendment by my colleague because it makes it very clear just how much time someone has.

I have presented the amendment. It is hoped in presenting this amendment to Motion No. 19, which was explained very articulately by my colleague from Haldimand—Norfolk, that the government will see fit to make this very clear change in order for everyone to understand just what it means by reasonable dispatch.

Madam Deputy Speaker: The hon. member for Kenora—Rainy River has moved an amendment to the motion. On debate, the hon. parliamentary secretary.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I feel like I am being lobbied over here. I just want to remind hon. members how reasonable we were during committee stage, as the member for Cape

Breton--The Sydneys will attest in terms of accepting amendments from the opposition.

The only thing I would point out to the member is that I have to disagree because I think most people do know what reasonable dispatch is. I can tell the hon. member why he might not want that. In the example that he gave there might be a situation where a spouse inherits a number of firearms. It may not be reasonable for that person within three months to make the decision to take whatever courses are required and make the necessary applications. It would seem to me that with reasonable dispatch he or she would be in a much better position in satisfying the court, if it ever came to that, in perhaps three or four months. I am not going to get into the argument as to whether it should be two months or six months or anything else. I am just saying to the hon. member that three months is inflexible. I think that with reasonable dispatch is a flexible way of doing it. It may be that a trustee in bankruptcy would have to move in and dispose of a firearm within a few days and three months would be too long. As I say, I can see a situation where a spouse would not be in a position to make the decision immediately to get involved with the courses and regularize his or her position with respect to the firearms.

It was a nice try. I have some sympathy for what the member is saying, but it seems to me the best wording is the wording that we have here: with reasonable dispatch.

Mr. Russell MacLellan (Cape Breton--The Sydneys): Madam Speaker, I do not agree with the parliamentary secretary. I just feel that the amendment suggested by the member for Kenora--Rainy River to this motion is excellent. I think it makes it a very worth-while motion and I think it should be accepted by all parties in the House.

As we have said before, and others have said it, what the government is proposing brings forward a very grey area. What we need is something definitive to be able to reassure Canadians that they have something that they can understand, not something in the mumbo-jumbo that presently exists in the legislation.

I think this is an excellent motion and I think it should be supported.

Mr. Nault: Madam Speaker, I just want to remark on what has been said. I must admit the parliamentary secretary did it quite well as far as explaining why we wanted this amendment. It is simply that kind of explanation, that a widow gets two or three guns given to her--

Madam Deputy Speaker: Unfortunately I have to interrupt the hon. member. As he did move the amendment himself, he is considered as having spoken on the amendment. I was asking myself the question and with the help of our table officers I reminded myself that unfortunately I will not be able to allow it.

Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The first question is on the amendment to Motion No. 19. Is it the pleasure of the House to adopt the amendment to the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the amendment will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

Madam Deputy Speaker: Pursuant to Standing Order 76(8), a recorded division on the amendment stands deferred.

Mr. Russell MacLellan (Cape Breton--The Sydneys) moved:

Motion No. 20A

That Bill C-17 be amended in clause 11 by striking out lines 44 to 46 at page 11 and substituting the following therefor:

"or attempted, or of an offence under section 85, or of an indictable offence described in subsection 39(1) or (2) or 48(1) or (2) of the *Food and Drugs Act,* or of an offence described in subsection 4(1) or (2) or 5(1) of the *Narcotic Control Act,*"

Motion No. 23A

That Bill C-17 be amended in clause 11 by striking out lines 1 to 8 at page 13 and substituting the following therefor:

"(b) a summary conviction offence in the commission of which violence against a person was used, threatened or attempted, or,

(c) a summary conviction offence described in subsection 39(1) or (2) or 48(1) or (2) of the *Food and Drugs Act.*"

Madam Deputy Speaker: I remind the House that a vote on Motion No. 20A will apply to Motion No. 23A.

Mr. MacLellan: Madam Speaker, I think this is an important motion because we are faced this week with the question of crime prevention.

• (2010)

It seems in the minds of Canadians, the more people we talk to, a concern exists in our country, particularly in our urban areas, about the question of crime prevention. I can remember being in the House last year and speaking on this very point. I talked about crime prevention as did other members in this House. I think it is safe to say that the concern in this country with respect to rising crime rates has increased about 50 per cent in the past year.

I think all Canadians will tell us that the crime rate is increasing. They may not be able to tell us the interest rate of the bank or where the constitutional committee is in any particular week. I do not know if anybody can tell us that. However, I think it is safe to say that one thing they will tell us is that crime is increasing in this country.

It is a concern. It is a concern to everybody. People from coast to coast are being intimidated about the very utilization of the facilities in their own communities, about going in elevators late at night in apartment buildings and about women at this time of the year going home from work when it is dark, getting off a bus and having to walk a block or a block and a half, merely a short distance most of us would say, particularly in the daylight. For women in our cities it is a terror, an absolute terror, and this is not acceptable. Certainly gun control is only one aspect of crime prevention in our country. There are many other aspects, but this is the one with which we are seized this evening.

I think it is important to look at it. The most relevant influence on the increase of crime in our communities is drugs. The increased activity in drugs has made it absolutely imperative that the government not stay in neutral on the question of crime prevention and that it does something constructive.

Here we are proposing something constructive which can be done to aid the problem, to aid the fight against drugs in our country. We are submitting that the mandatory prohibition of firearms be increased, not just for those who are convicted of an offence of 10 years or more but for those who are convicted of any indictable offence involving violence. This is very significant. If somebody is going to be convicted of an indictable offence involving violence, the fact is that this person is not the type of person we want to be in possession of firearms.

Even more important, we are suggesting that those who are convicted of trafficking in drugs, those who are in possession for the purpose of trafficking and those who are dealing in the export of narcotics and who are convicted of an indictable offence relating to these narcotics and drugs, should also be prohibited from using a firearm.

For the first offence it should be 10 years. For the second offence it should be life. This requires a great deal of circumspection by those who would be prone to deal in drugs. When they know they are going to lose the right to the use of a firearm for 10 years in the first instance and for life in the second, then certainly they will be much more prudent about their actions. Not only that, but we have seen in drug related offences that sometimes where a person is convicted of more than one offence at subsequent times the actual convictions escalate in their seriousness.

What we were saying is that if we can in the first instance on a conviction of an indictable offence relating to drugs prohibit the use of a firearm by that person, we may actually prohibit the fact that the person may commit a subsequent crime using a firearm.

I think that is very important. But it also gives a great deal of assurance to people in our communities that the drug activity will not continue to escalate at the rate it has in the recent past.

I think the Criminal Code already requires all firearms dealers to make note of this as well. In particular, drug gangs make it advisable and justifiable to ensure that all those convicted of any violent indictable offence will be subject to a prohibition order on the possession of firearms or ammunition.

Now discretionary orders may be favoured by judges but they require that the Crown and judges put their minds to the question of a prohibition order and take a sufficiently serious view of the need for such orders.

A mandatory order ensures that the order will be made and that there will not be that discretion. I am not as a rule in favour of mandatory orders because I think the discretion should be left with the judiciary. However in this case we are dealing with and really fighting a rearguard action against organized crime and particularly drug related crimes in our cities. This is the least serious infringement on the normal relation that the judge can have with the accused and we are impinging just a little on the discretionary powers of the judges.

When you consider what is at stake I think it is absolutely necessary. Mandatory prohibition orders should apply to all drug trafficking offences when they are serious enough to be prosecuted as indictable offences. Minor offences will be dealt with as summary conviction matters. We are not talking about casual dealings in drugs. The nature of the offence alone might justify a mandatory prohibition order, but given the incidence of firearms use by drug gangs in the cities, the argument is even stronger.

It is difficult to imagine a case in which a conviction for an indictable offence involving violence or drug trafficking would not merit a prohibition order on the possession of firearms.

Bill C-17 would provide the discretion necessary to make exceptions in appropriate cases. Proposed new subsections (1.1) to (1.3) would give the judge a discretion not to make the order where the circumstances of the particular offender and the particular offence made that appropriate; where the offender needed a firearm in order to provide sustenance or where the effect of such an order would make it impossible for the person to hold employment.

This will provide an escape valve for aboriginals and other persons who may have a special need for a firearm and who despite the conviction for an indictable offence do not appear to pose a danger to the public.

We have tried every way possible to make this motion applicable to those who need an exception but we must in all conscience do something about the increasing crime rate in the communities in this country. We cannot turn away from the fact that drug related offences are increasing and something has to be done.

We therefore submit this motion in the hope that the government will accept it and really put some action behind their so-called stated inclination to favour crime prevention in this country. It is one thing to talk about crime prevention but it is quite another to back it up and to do something that the people in this country are crying out for.

I would ask the government to put a little action behind their declarations.

Mr. Ian Waddell (Port Moody--Coquitlam): Madam Speaker, I would like to speak on this motion on behalf of the New Democratic Party.

A week or so ago I visited the Port Coquitlam hunting and fishing club high up in the north shore mountains overlooking the Fraser Valley. They have a wonderful club house there. We discussed this bill. I tried to explain how I would support this bill because I was in favour of effective gun control. I tried to make sure as much as possible that they would not be unreasonably affected by bureaucratic measures that would hurt them. They accepted that Canadians are generally in favour of stronger and more effective gun control, especially in light of the massacres and the growing misuse of firearms.

• (2020)

I tried to explain that the bill would try to catch people who were deranged. These people would have to apply for a firearms acquisition certificate before they could buy a gun. We could perhaps weed these people out since they had to have references before they got the gun.

I tried to explain that we would also, through the safe storage provisions of the bill, try to stop people who were momentarily depressed and deranged or teenagers and so on, from grabbing the family gun and killing themselves or other people in their family.

They listened. Sometimes they did not agree with me entirely but they listened and I listened to them in return.

The point that was made over and over again was to get tough on criminals, get tough on the criminal misuse of guns.

Having listened to that I am pleased to support these two amendments tonight. I understand that the first amendment would prohibit anyone convicted of a serious drug trafficking offence from owning a firearm for 10 years. We know that with criminal gangs, and especially in drug trafficking, firearms are used and it will be tough to crack down on that with this amendment. We should not kid ourselves that this is going to end that but we can recognize it in the legislation.

The other amendment, as I understand it, extends the ban on firearms possession to anyone convicted of a violent crime, not just those sentenced to 10 years or more. A repeat offender would face a lifetime ban. I would support that. I think I have made some similar proposals in committee. I was listening to what the member said and I was listening to what the hunting and fishing clubs in my riding said and I accept that.

I was worried about persons up north, native persons, who might have an incident in town and then in the cold light of day suddenly be faced with a ban on a gun needed to hunt for food to feed himself or the family.

As I understand it, that is protected in the bill because there is an exception for sustenance.

I was a former Crown attorney for the city of Vancouver. I have been defence counsel. In my experience judges did give tough sentences to people who used firearms in the commission of offences.

I think if these amendments are put in this bill, they would give the clear message that we are also concerned as a Parliament with the criminal misuse of firearms.

I want to conclude by saying that I support this amendment. A week or so ago, I said to the government: "We really need a package for effective gun control that will include a fair registration system, looking at ammunition, looking at really safe storage provisions, looking at getting rid of these converted semi-automatics and these kind of paramilitary weapons and at the same time protect the legitimate hunters and competition shooters". I think we have moved toward that. I really do. I think we are moving toward that now. We also want to give the message that the criminal use of firearms will be hit.

I predict that in the near future we will see such pressure coming from Canadians, especially in the big cities, that there will be further measures I hope on the misuse of the handgun. This bill doesn't really deal with the hand gun. I tried to get it in the bill through some amendments, but it is basically out of the bill. It peripherally deals with the hand gun when we deal with clip size, but it really doesn't. We are going to have to do that because of the growing use of hand guns by the criminal element in our cities. We are going to have to get even tougher there. One way we can do that is to signal through these two amendments that for criminal offences, criminal types will have to pay an additional penalty by being prohibited in the future as part of their sentences from possessing a firearm.

Mr. Derek Lee (Scarborough--Rouge River): Mr. Speaker, I have a few comments on the amendment proposed by the member for Cape Breton--The Sydneys.

This particular amendment does not impact at all on the law-abiding gun owner. We have to recognize in the large cities now the proximity of guns to drug trafficking. It is a very real phenomenon in the big cities. In my view lying behind this amendment the logic is precise, the sanction is precise, and it places the burden of the sanction squarely on the shoulders of the serious offender, the drug trafficker.

There is no need to burden a judge or a busy Crown Attorney with the challenge of recommending a certain type of suspension or not, the precision is there in the act, if it is there. I feel that this would take us a lot closer to placing the burden of gun control or at least the penalties for breaches on the shoulders of those who break our criminal laws.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the first point I would like to make is that this bill carries a mandatory prohibition for any indictable offence involving the use, threat or attempt of violence if the maximum sentence available is 10 years or more, a mandatory sentence that says that if you are convicted of a crime of that nature that you cannot possess, own use a firearm for 10 years. That is mandatory.

On the other indictable offences all the government is saying is that the judge must direct his or her attention to the advisability in that case of whether a firearm prohibition should be imposed.

The hon. member who introduced this motion said there was an escape valve. He made the point that he agrees that discretion should be left in the hands of the judges and he pointed out the escape valve. I can tell him that that escape valve is very narrow. In fact, I do not think it would include the situation that is taking place in our territories where if a young native person gets involved with trafficking in narcotics, gets involved with drugs, there are sentences that have been imposed by judges where they can get reintegrated into their culture and sent out of the town, away from the problem area, and they are required to use firearms as part of the native's learning life skills program. I do not think that would be covered, quite frankly, in the exception that the hon. member pointed out in the bill.

The other problem I see with it is this. Some times a court will proceed by indictment for something like common assault, and there are hundreds, I suppose thousands, of those kinds of convictions in a year. I cannot honestly say that it is always appropriate in every circumstance that in every common assault case that is proceeded by way of indictable offence that a 10-year mandatory prohibition against the use of firearms is appropriate. To this extent I agree with the mover that, yes, we should leave the discretion with the judge.

The final point I want to make to the hon. member--he knows, he is a lawyer and so is the member for Port Moody--Coquitlam--is that if you do not give the judge the discretion, the discretion will be somewhere else. I ask the member to consider this. If the Crown Attorney is thinking of laying an indictable charge, many times he will not with something like this because the penalty would be way out of line to the crime committed. You would be taking the discretion away from the judge and, in a sense, you would be asking the Crown Attorney to make up his or her mind whether they will go by indictable offence or not.

• (2030)

On the three counts, I think it would unnecessarily hurt a good program that is taking place in the Northwest Territories. I think it takes the discretion away from the judge when he or she should have it in terms of say an indictable offence for common assault as well as the other reasons that I have mentioned.

I think the House should turn this down.

Mr. Rod Laporte (Moose Jaw--Lake Centre): Mr. Speaker, I would like to speak specifically to Motion No. 20 with respect to the drug trafficking offences.

I, too, have spoken to many people in my riding regarding this bill. I spoke to many hunters and people who are involved in shooting clubs. They have indicated to me that one of the things this government, this country and judges should be doing is getting tougher on the criminal element in this country.

With respect to Motion No. 20, that would prohibit anyone convicted of a serious drug or trafficking offence from owning a firearm for 10 years, I think that is a very good amendment to be added to the legislation. Certainly in large urban centres where drug trafficking is a very serious offence and many times there is violence involved, it has caused a lot of emotion and a lot of pain and suffering.

If we are going to have gun laws that are going to be reasonable and are going to have some effect, we need to have some very tough laws. I would certainly support the amendment with respect to drug traffickers receiving a 10-year ban on any use of any firearm. That is something that goes a long way to sending a message to drug offenders and also to the courts, because there has been some concern that all of the courts have tended to be tough on offences where violence is used and where weapons are used. There are instances where this has not been the case and I think it is important for this body to send a message to the courts throughout this land that in fact we want the courts to be tough. We want the courts to have some impact on these violent offenders.

I would therefore support this particular amendment.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I would like to speak very briefly on this.

I know that I and many others in this House have been very strong on the law and order aspects of this bill. The people across the country, as well as most of the people in the House, recognize that we have not sent a strong enough signal to those who misuse firearms, and we want to do that.

On the surface, this motion seems to address that and, in most people's minds, it should be an acceptable one for people who take the law and order stance that I have taken.

Not being a lawyer, I do not get into all of the legal frills in this type of a motion but what it means as a motion to me and to the people I represent. We have in this bill now charged that judges will have to review people who are guilty of the offences that we are talking about. They are charged with making the decision as to whether or not there should be a prohibition order placed on their possession of guns. That is much stronger than we have now. The judge in doing that review can tell the difference between somebody on the fringes of a drug gang in one of the cities or possibly a native on the DEW line of Canada who happens to have been involved in school with some relatively innocent sale of drugs, let us say marijuana.

There is a big difference between violence in crime or the real violence that we see in so many situations across the country and in many cases a rancher who may only get into the city two or three times a year. Unfortunately, unless he has had a good fight, he would not have a good reason to come back to the city.

This type of amendment would in fact sweep these people into the same net as the criminals and the violent people who we really are trying to address. In my opinion the discretion of the judge or the fact that we are charging the judge to review and make that decision is adequate.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

I remind members that the vote on Motion No. 20A will apply to Motion No. 23A.

Pursuant to the Speaker's ruling, Motion No. 24.

[*Translation*]

I realize that the proposer and his team are not in the House, so we move to Motion No. 41.

[*English*]

Mr. Russell MacLellan (Cape Breton—The Sydneys) moved:

Motion No. 41

That Bill C-17 be amended in Clause 20 by adding immediately after line 3 at page 29 the following:

"(3.1) A registration certificate shall be valid for a period of five years from the day on which it is issued."

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

The Acting Speaker (Mr. DeBlois): Motion No. 45 is in the name of the member for Kenora—Rainy River. Is the motion to be withdrawn. Am I right about that?

Mr. Nault: Mr. Speaker, the motion that you refer to which is Motion No. 56 was supposed to be in with the other motions.

The Acting Speaker (Mr. DeBlois): I am asking about Motion No. 45. I want to be sure that you have withdrawn that motion. Is that right?

• (2040)

Mr. Nault: Yes, it is Motion No. 45, Mr. Speaker. I got the wrong one here. Motion No. 45 was supposed to be in with the other motions which dealt with the clip size. It was put in another section which was not my intention, so I withdraw that motion.

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 49

That Bill C-17 be amended in clause 27 by striking out line 40 at page 35 and substituting the following therefor:

"every appropriate committee as determined by the rules of each House."

He said: Mr. Speaker, let me try to explain to the House what is happening here. As I said before, most of this bill is in regulations. For example, safe storage, clip size and so on. We wanted to get a system whereby there would be fair regulations and I think that is important.

I would prefer that the minister would give us all the regulations now. We should have the regulations before the bill, or around about the bill rather than after the bill, but that is the way things seem to work. We are getting them after the bill.

As we understand it, the regulations will be vetted by this Firearms Advisory Committee, with people who are knowledgeable about weapons, guns and firearms and so on. They will be vetting the regulations.

There was a proposal put in the original bill by the government that there would be a negative resolution by the House, so the House itself, so MPs could get a look at the regulations. That was withdrawn and rather an extraordinary member of the legislative committee, the government Whip, made a proposal that any committee of the House of Commons could undertake an investigation and do a report on any firearms regulation. This brings in a very interesting proposal. A member or some members who did not like a regulation could get that regulation examined by a committee of the House. But it says: "any committee of the House."

It seems to me—and I think hon. members opposite would agree with this—that this is a bit too far open. This is what you would call in constitutional terms an egregious error perhaps. It is too broad. Does "any committee" mean that if a few members dislike the clip size, for example, they will try to get it in the justice committee, but if the justice committee says no, we dealt with that, then they will go to the agricultural committee or they will go to the defence committee? I mean, you could literally go committee shopping until you got a sympathetic committee chair or a committee you could get some control of, and you could get it in the committee. You could have an agricultural committee on the basis that farmers use a gun for whatever reason, and if you could get it on and you get the right chair and the right person, you could get it in that committee. You could committee shop and go around.

What my amendment does is say we will accept that provision that the House can scrutinize those amendments, but let us put it in the Standing Committee on Justice, let us make it reasonable. I think that is a fair trade-off and I think that is a reasonable way of handling it. After all, we are talking about firearms. We are talking about amendments to a bill, to the Criminal Code. It should be done by the Standing Committee on Justice. Let us say an out of order amendment, an out of order regulation, a kind of wild regulation got through the screening of the firearms committee, which is going to be pretty hard. But if even got through that, it could go to the justice committee and MPs would get feedback.

MPs who get feedback, not bureaucrats or appointees but MPs who are responsible to constituents, could then examine it. They should do it in the justice committee. Does that not make sense?

It does not make sense to me to move it all around different committees, and that is why I propose this amendment.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I just want to make sure I have the amendment by the hon. member right.

His amendment is to take out the words "every appropriate committee of either House" and replace them with "every appropriate committee as determined by the rules of each House". That is the amendment? The amendment does not mention the justice committee by name. The appropriate committee is determined by the rules of each House, presumably that is the justice and solicitor general committee or some other successor to that committee. They could be split.

I do not see anything wrong with the amendment. I think all hon. members should consider supporting it.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, just very briefly, it is not one that I have had a chance to give full consideration, to which I would like to give any motion affecting this bill. Nothing is what it appears to be on first sight.

When we were discussing it in committee I meant to raise a question on it. It is so wide that any committee of the House could seize this gun control issue and try to address it. I do not think that was the intent of the member who actually worked so hard to try to get this process in.

I also would support the amendment as proposed by the member for Port Moody--Coquitlam.

Mr. Russell MacLellan (Cape Breton--The Sydneys): Mr. Speaker, I would like to say as well that I think this is an excellent amendment. I want to congratulate the member for Port Moody--Coquitlam in bringing it forward. It does do a great deal to tighten up what have been until now very loose procedures and a loose set of references in the bill.

While I think I know what the government was intending, the wording really does not lend itself to the exactness we would like to see. I think when we have only 30 days to consider these regulations, we have to make very good use of this 30-day period.

References are being applied to committees inappropriately so if the utilization of the time is not to the best advantage, then I think we are not doing a service to the House or to the country.

I would say unequivocally that I would support the amendment as put forward by the member for Port Moody--Coquitlam.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 49 agreed to.

Mr. Rod Laporte (Moose Jaw--Lake Centre) moved:

Motion No. 50.

That Bill C-17 be amended by striking out line 5 at page 36 and substituting the following new clause:

"28. The said Act is further amended by adding thereto, immediately after section 116 thereof, the following section:

"116.1 (1) Every order made by the Governor in Council under any provision of this Part shall be laid before each House of Parliament by a member of the Queen's Privy Council for Canada not later than five sitting days after it is made.

(2) Where an order has been laid before Parliament pursuant to subsection (1), a motion for the consideration of either House, to the effect that the order be revoked, signed by not less than twenty members of the House of Commons in the case of a motion for the consideration of that House and by not less than fifteen members of the Senate in the case of a motion for the consideration of the Senate may be filed with the Speaker of the appropriate House at any time but not later than twenty sitting days after the regulation has been laid before that House.

(3) Where a motion is filed as provided in subsection (2), the House in which the motion was filed shall, not later than its sixth sitting day following the filing of the motion, take up and consider the motion, unless a motion to the like effect has earlier been taken up and considered in the other House.

(4) A motion taken up and considered in accordance with subsection (3) shall be debated without interruption for not more than one hour and, on the conclusion of the debate or at the expiration of that hour, the Speaker of the House of Commons or the Senate, as the case may be, shall immediately put every question necessary for the disposition of the motion.

(5) If a motion taken up and considered in accordance with subsection (3) is adopted, with or without amendments, a message shall be sent from the House adopting the motion informing the other House that the motion has been so adopted and requesting that the motion be concurred in by that other House.

(6) Within the first fifteen sitting days next after receipt by it of a request pursuant to subsection (5), that House shall take up and consider the motion that is the subject of the request, and all questions in connection with the motion shall be debated without interruption for not more than one hour and, on the conclusion of the debate or at the expiration of that hour, the Speaker of the House of Commons or the Senate, as the case may be, shall immediately put every question necessary to determine whether or not the motion in question is concurred in.

(7) Where a motion taken up and considered in accordance with this section is adopted, with or without amendements, by the House in which it was introduced and is concurred in by the other House, the order to which the motion relates shall stand revoked.

(8) Where a motion taken up and considered in accordance with this section is not adopted by the House in which it was introduced, or is adopted, with or without amendments, by that House but is not concurred in by the other House, the order to which the motion relates shall remain unaffected.''''

He said: Mr. Speaker, this follows on the previous amendment. It would be an alternative to the previous amendment and one which I personally would favour.

One of the great concerns that I have with this bill is that so much of this bill is done through regulations. We are passing a bill that in many ways is enabling and gives the minister carte blanche to do what he or she may wish to do with respect to huge portions of this bill.

• (2050)

We have in this country today, I would suggest, a problem in that we are increasingly being controlled by decisions in cabinet and by regulations. That is a problem that has been ongoing, certainly, since I came here as a member. There have been a number of times when I have been frustrated by the fact that my voice either cannot be heard or counts for very little. The bill before us today simply adds to that. That has existed in other legislation.

Recently on Bill C–13, the Canadian Bar Association was before that legislative committee indicating that it thought there was too much regulation in the country. An individual has a tough time getting hold of the statutes and regulations to know what the law should be.

It is important that parliamentarians have a say in what takes place in this country. That is what we are elected to do. There certainly is a place for regulations.

This bill talks of the storage and handling of weapons by owners, people who are in the business of selling guns. The shipping, the handling, the storage and sale of those weapons are all handled strictly in regulations. The size of the gun magazine is handled strictly in regulations. The regulations have not been presented to this House to let us debate them, to let us see exactly what they are. We are in the dark with this bill. Therefore we are passing legislation and we are not really sure where it is going to end up. That is the concern of people throughout the country who have some interest in this bill.

This amendment would bring back a clause in the original bill that would force the government to bring any regulations in front of the House to be debated and to be voted upon. That way they would be in front of the Canadian public. It would allow members who wish to put a case for or against a certain regulation to put that case and would allow us, as members, to have a vote and a say in the regulation.

This is an alternative to the previous amendment but it is one that I would prefer. I suggest it is something that is important if we, as parliamentarians, are going to truly represent our various constituencies.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, the hon. member made some interesting comments about the role of the private member and some of the frustrations he has had concerning amendments and the shaping of legislation.

I say with some conviction that this bill is not one of those bills. I can tell the hon. member that individual members of Parliament have made a difference. Compare this bill to the way it was originally tabled in June 1989, and the changes that were made after the Reimer committee and the many recommendations that were made by a committee of this House. When this bill went before the legislative committee it was changed.

The very amendment that the hon. member is suggesting be put back in the bill is an amendment that came out of the committee process. His colleague, the member for Port Moody—Coquitlam, will remember that. I was there as a witness with the departmental officials

onbehalf of the Minister of Justice. This was not an amendment I came up with. This came from members of the committee.

You can point out that it was a Conservative member of the committee, but I can tell you it was not something I drew up and thought would be a great idea. The committee thought it would be a good way of handling regulations.

I can tell the hon. member with some certainty that there is no other provision in the laws of Canada that provides parliamentarians with this opportunity to debate and study regulations before the regulations get into the process by which they become law. It is usually too late by the time parliamentarians think they might want to get interested in this. By that time the thing has been published and is well along the road. This is unique, I believe, in the whole body of law and all the regulations passed by the Government of Canada, going right straight back to the beginning of regulations.

This provides an opportunity for parliamentarians to have a look at it before it has the opportunity to have the force of law.

I see what the hon. member is doing. He is saying that he did like it the way it was previous to that, but we tried to come up with a balance and, in a sense, we would be open to the charge that: "You did not listen to your own committee. Your own committee backed this." I could be corrected on this, but I think it was unanimously accepted. I do not see anybody shaking their head. I believe this procedure for having a look at regulations was unanimously accepted. As I say, at the time it was not my first choice as to the way it should be done but I can see where this is a dramatic improvement over the way it was done in the past.

I say, with some reluctance, that I will not be supporting going back, but I think there are lots of benefits here for the individual member in the way this is now worded.

Mr. Ian Waddell (Port Moody--Coquitlam): Mr. Speaker,I just wanted to add something to what the parliamentary secretarysaid. We are trying to strike a balance, but one of the fears that Ihave is that it is very controversial, as you might have guessed, when a regulation is made concerning clip size, safe storage and thetypes of para-military guns that are banned. What happens then is itgoes through the firearms advisory committee and then maybe a memberof the House with some pressure, who has a right, tries to get itreferred to a committee.

I am a little afraid that the process will still be delayed and that nothing may ever happen. That is why I was very reluctant when the member for Calgary proposed this process. I cannot look into the future because I do not have a crystal ball so we will wait to see what happens.

Will it work or will it be a vehicle for undetermined delay and debate of the same issues that we have been debating for the last year and a half? We want to get on with the thing so that we have some sort of idea of just what exactly is controlled and what is not. We do not want to have a mechanism that is a recipe for delay and delay.

Maybe the government is a little afraid to bring it in. It is delayed, examined, Parliament was not sitting, an election comes, and so on and so forth. Having said we had better get on with it, I will sit down and let us do that in the House.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question.

Some hon. members: Question.

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

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please say nay.

Some hon. members: Nay.

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

An hon. member: On division.

Motion No. 50 negatived.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The mover of Motion No. 56 has advised the Chair that he would not propose his motion. We will thus go on to Motions Nos. 59 and 60 that are grouped for the debate.

[*English*]

Mr. Russell MacLellan (Cape Breton--The Sydneys) moved:

Motion No. 59

That Bill C-17 be amended in clause 38

(a) by striking out line 39 at page 43 and substituting the following therefor:

"the case may be, is carried on;"

(b) by striking out line 45 at page 43 and substituting the following therefor:

"the Commissioner or person so authorized; and

(e) mail copies of the records of all retail sales transactions involving firearms to the local registrar of firearms within fifteen days of the end of each calendar month."

Mr. Ian Waddell (Port Moody—Coquitlam) moved:

Motion No. 60

That Bill C-17 be amended in clause 38 by striking out lines 41 to 45 at page 43 and substituting the following therefor:

"tory relating to restricted weapons and firearms to the Commissioner or to any person authorized by subsection 110(5) to issue a permit to carry on a business in accordance with any request made in writing by the Commissioner or that person so authorized or such requirements as are defined by regulation."

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, this is an amendment which I think can have a good deal of importance because it will be a beginning of registration. I think that the main complaint to the request by the pro-gun control groups to registration of all firearms is that it would create an overload of activity for the officials. There would be so much information to program into the computer in a very short period of time that really the whole system of registration and controls and inquiries concerning FACs and so on would not work well.

• (2100)

The important thing is that when we try to make the system more effective and increase the regulation and control, we do not overload it so that the whole system breaks down.

What we are suggesting in Motion No. 59 is that the retail sales be the point at which we start with some registration. The person who completes the retail sale mails copies of all retail sales transactions involving firearms to the local registrar of firearms within 15 days of the end of each calendar month. Those records of firearms with the registration number and so on would then be put on a computer and we would have the beginning of the registration of firearms. That would put the system in place for the registration of firearms.

Mind you it would involve some work to get the system going. If it is the intention to eventually register all firearms, this would be the manner in which this registration could be started. I think it is a modest beginning but one which could work without overloading the system and overtaxing the activities and the time of the officials. They also have to do research and make inquiries on FAC applications and renewals. They have to deal with the registration of hand guns, deal with amnesties and other inquiries. I think this would be a suitable means of adding to the registration program.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I wish to speak on my Motion No. 60, which would place on obligation on a firearms business to record all retail sales and send the information to the RCMP. At present they only have to send records of sales of restricted weapons.

I just want to take a moment and deal with the restricted weapons. I meant to mention this before on a debate on one of the motions and it fits in here. What are restricted weapons? They are hand guns; they are semi-auatomatic firearms with barrels shorter than 470 millimetres; they are any rifle or shotgun that can be fired while its stock is folded or telescoped; automatic weapons grandfathered in 1977 and any weapon declared by cabinet order to be a restricted weapon.

By far the largest group is hand guns. I just looked at the Metro Toronto Police Board testimony because we have been hearing a lot about crime in Toronto. They came before our committee and this is what they said: "It is not commonly known by most Canadians that when a registration certificate is issued for a restricted weapon it is valid for life". I draw to the attention of the committee that surely things can change in a lifetime and we should re-evaluate that. The certificates are issued free of charge. It is estimated by the Metropolitan Toronto Police Force that it costs about a thousand dollars to conduct an investigation into an application for a restricted weapon, usually a hand gun. A thousand bucks to look at it. Surely the time has arrived for a user fee. They point out that there are strong points in the legislation that can be improved, and so on.

Then they give us some statistics. I think this is really interesting. It is fitting perhaps that we end the debate tonight with this: restricted weapons certificates 1986, 33,200; 1987, 37,500; 1990, 46,000 new registrations. Metro police say that the number in Toronto has grown exponentially and in 1991 three times as many were issued as previously. People are getting certificates for hand guns.

They can get them to use as protection, in a lawful occupation, as target practice, as part of a shooting club and part of a collection of a genuine gun collector. You can start off with one gun. Hand guns do not really have any hunting purposes. Some are incredibly powerful and they can be concealed.

Someone who sees the *Dirty Harry* film and wants toown a Colt 44 magnum like the hero of the film can go to the libraryand learn about magnums. He can then go to his local registry office to get his restricted weapon certificate. He can get one based on the fact that he says he is a genuine gun collector. He buys the weaponand keeps it in his home.

Metro Toronto police are telling us that the number of people doing this is growing like crazy. It is the Rambo culture. This is a serious problem and there is really nothing in the bill to deal with it.

What the member for Cape Breton--The Sydneys and myself have been saying to the House and the Canadian people is: "Let us target these hand guns and then get back to these para-military weapons". These are not for hunters. These are para-military weapons that are flowing into Canada. We are saying that when people buy guns surely with modern cash registers and computers and things we can take a record and send it to the RCMP.

People will say this is a tremendous violation of civil rights. Is it when you weigh everything? The member for Saint-Hubert said: "We don't have the third amendment that gives us the right to have a weapon". This country was settled peacefully. We have hunting guns and so on, but by and large good hunters do not need powerful weapons. We do not have any elephants in our woods in Canada. Inuit used to shoot polar bears with bow and arrow and spears.

We do not need these high powered guns. We do not need them flooding into this country. We need some controls.

I think what the member for Cape Breton--The Sydneys is doing with his amendment and what I am trying to do with my amendment is point to the future. That will be the big debate in Canada in the future. Can we have a registration system for future guns so we know where they are and how armed our population is so that if they are lost, stolen or get into criminal hands, we can deal with them?

It seems to me that is where it is going to go in the future. I think people have to be prepared for that. I urge the government to accept our amendments.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I would like to address the specific amendments that are being proposed here. They were addressed in committee. There was a lot of discussion on them. Of course, there was a lot of discussion across the country generally about the value and the problems of registration.

There is a terrible fear by some people of the process of registration for all guns. Yet there is a terrible demand by many others who feel that is the way we should be going in the future.

I will not attempt to argue whether we should or we should not. I will argue that we are now with this bill going to be vastly increasing the number of weapons that are registered and therefore under better control. I think most people in Canada feel that is positive.

The special committee studying Bill C-80 recommended that in fact we should be going far beyond these automatic and automatics converted to semi-automatic.

• (2110)

There is a whole culture of guns not legitimately used by hunters or sporting people. We in that committee felt that people in Canada, not all people in Canada, but the majority of the people, were insisting that we address that issue.

The concern is what to do with those that are already in the country and what to do with those that have been legitimately bought by law-abiding people. The committee made recommendations on that but this bill does not directly address those.

I would be disappointed if most of those guns do not end up onthe registry as restricted weapons, weapons that are owned by people in the country, known by the

police and under control.This will vastly increase the number of registered weapons. It willtend to include all of those that are now in the country and what wewould determine as the higher fire power type weapons.

We are not saying to go back to all the old guns that are in the country, but to the new ones that are being brought in. It is a very attractive, I will even use the word seductive, approach. It seems so simple and so easy.

As I pointed out to the committee, in one of my former lives I was a computer consultant involved very heavily with computers and computer systems. If you are going to implement a computer system it has to be something that can be maintained accurately or you are going to end up with garbage. It is something that everybody recognizes but it is a trap that is easy to fall into.

This is a trap that the House is being asked to consider now. Ifall new sales are put into a computer there is no demand that thoserecords be maintained. If a person moves there is no record required of that move. If a person who legally owns a gun sells it to anotherperson who has a firearms acquisition certificate there is no reasonfor them to send that record to the computer system. In very shortorder that system, and a very expensive computer system by the way,would be full of data and a significant percentage of it would begarbage. As such, the whole system really becomes useless.

The concept of paying a lot of taxpayer money in trying to develop a safer system when that system would be invalid would detract from many of the other good things we are doing in the bill. Although it is a seductive motion, and the idea is one that would appeal to many people, I would strongly recommend to the House that it not accept this amendment.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I just want to add a few brief comments, if I may. I have sat quietly throughout the discussion and on this particular amendment I could not help but find myself in the position of agreeing with virtually everything my hon. friend from Port Moody--Coquitlam said.

However, I find myself unable to support the amendment and I want to say why.

This is one of those issues that is a very, very difficult issue and it has been difficult for members on all sides of the house. I think it has been approached in a very constructive way by members on all sides. As I read the many amendments that were put forward here today, I was impressed with the thought that had gone into them.

There were some that in some ways I agreed with and others that I did not. It is difficult achieving a consensus on this issue. We went through Bill C-80 in the special committee. We went through the committee that handled Bill C-17. All members of the House, while they may not find that the bill provides everything they are looking for, would agree that this minister and her parliamentary secretary who is here, have really bent over backward to try to find a fair and reasonable path between two competing points of view on this very, very difficult issue.

I represent a rural area. I have never owned a gun and I likely never will own a gun. I found that when this gun control issue first came up, in 90 per cent of the households in my constituency there were firearms. As I watched this issue unfold and tried to find out the concerns of the people I represent, one of the things I found was that there was a real urban split on this issue.

I found that it almost seemed to hurt the rural Canadians, at least the ones in Atlantic Canada, so that they were almost under assault on this issue, as if to own a firearm made you some sort of closet Rambo who wanted to go out and do vicious, evil and violent things. That is not the way people are in rural Nova Scotia.

People in rural Nova Scotia are responsible. I am very pleased that the various gun clubs in my constituency and many of my constituents who have written to me on this issue are very responsible in their approach. They are going to welcome some of the provisions in this bill.

They did not look to the government to bring in a bill of this sort, but they are reasonable people and they will see some of the provisions like the 28-day delay, for example, and the requirement for training for new people. Some of these very responsible provisions have been a constructive contribution.

There are very legitimate concerns that have been expressed to me by a number of my constituents about things like what will be in the regulations that will follow. I am pleased to see that any regulations will be com-

ingbefore committee before they in fact are promulgated. This is one of the big concerns.

With regard to the state of the motion before the House, which is the amendments—I know you wish me to do that—and the point I want to make is that a lot of members have participated in the exercise that has got this bill to where it is.

There was give and take on both sides of the issue. The minister is to be commended for her willingness to listen and to try to accommodate the different points of view that exist. As with any difficult issue, compromise is necessary and the bill that is ultimately brought before the House at this time represents a compromise that is probably as reasonable as can be had. It offers something to everybody who has an interest in the bill without necessarily giving everything to everyone.

That is why I am not going to support the current amendment that is before the House, but wish to commend the bill in its final stage to all members. I think all members should be prepared to support it.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I do not want to belabour the point because I think it has been covered by my colleague.

I just want to point out that in fact there is some control, and I think it is done in a less expensive, less elaborate manner than might have been suggested by the two amendments here.

A firearms dealer is required to record the serial number and the FAC number of purchases. Police can have a look at that. Indeed, that was one of the ways they identified Marc Lepine. They checked the serial number on his gun, and they checked it against the FAC in the place where he bought it.

I can tell the hon. member from the New Democratic Party that even if we were going to accept it, he would probably want to add prohibited weapons which can be in the inventory of a company.

His amendment refers to restricted weapons. If we were going to accept it, we would have to put "prohibited". I do not mean to be picky, but as I say, the system in place is inexpensive and it is easy for the police to get at.

The hon. member from British Columbia just pointed out that we would have garbage very quickly because this does not put any requirement on private citizens who have a transaction. There is no requirement on them to have that recorded, so very quickly you would find that the records you have are completely out of date. You would have incurred this huge expense to very little advantage.

As much as I would like to have accepted an amendment from the member, I do not think that is possible.

Mr. Blaine A. Thacker (Lethbridge): Mr. Speaker, I just want to put on the record my support for the concept in general, but it is impossible to do in this bill as we found at the committee stage, as my friend from Cariboo—Chilcotin pointed out.

It is there with this bill. Everything is in position for a future minister to take the next logical step which will be a total revision of part III of the Criminal Code which will pull in those parts that this bill did not deal with.

Members who served on the committee know that part III has 33 sections to it. This bill only dealt with 24 of those sections. Before we can move into these newer concepts, a minister has to bring all of part III before the bill and then a minister may well decide to get into a licensing and registration system where, depending on your degree of training, you will be able to have access to certain guns and not other guns. It will be treated more like cars. You will have a proper licence. If you are going to be a chauffeur you will have a better type of licence. You will have different insurance ratings.

• (2120)

Everything has to be done as a package. This bill has to be done first because we have to get all of those training courses in place before we can take the next step. It is with regret I say that because I know the member has worked very hard on it. Mr. Speaker, perhaps you would permit me to have a word because I had the privilege of

chairing that committee. Being as these are the last amendments, I want the record to show clearly in terms of the government members that the member for Cariboo--Chilcotin, the member for Red Deer and the member for Ahuntsic all worked very hard. In terms of the Liberals, the member for Cape Breton--The Sydneys worked very hard on this bill and very productively. My good friend from Port Moody--Coquitlam really did work hard. It was a treat to put a group of members around a bill that was very sensitive across the country and within this Parliament and to have them work constructively.

Of course it cannot be done without a parliamentary secretary, the member for Niagara Falls, who worked very hard, and then the minister. I mean we all remember being years and years in this House in opposition when we could not get an amendment through at all. It was frustrating for the Liberal members when they were on the back benches, but in the last 10 years, starting under the Liberal Party in 1980 and continuing through with the Conservative Party, committees now have awesome powers and make some very significant amendments to bills.

This gives us satisfaction. I want to say that it takes a minister who is not psyched out by a committee and who is prepared to listen to the rational arguments that are made. There are rational arguments made, and the Minister of Justice deserves a lot of credit for the amendments that she accepted both to Bill C-17 and to Bill C-80.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I simply want to point out that according to Standing Orders any member who wants to be recognized must be in his place. However, since no one objected, I did not wish to shatter the excellent ambiance in the House tonight by applying the rules too strictly, but I insist this must not be used as a precedent in the future.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 59.

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

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

Motion No. 59 negatived.

The Acting Speaker (Mr. DeBlois): The next question is on Motion No. 60. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

Motion No. 60 negatived.

The Acting Speaker (Mr. DeBlois): Pursuant to order made earlier this day, the deferred divisions at report stage of the bill now before the House are further deferred to Wednesday, November 6, 1991, at three o'clock p.m.

[*Translation*]

Pursuant to the order made earlier today, the House stands adjourned until tomorrow at two o'clock, pursuant to Standing Order 24(1).

The House adjourned at 9.25 p.m.

HOUSE OF COMMONS

Wednesday, November 6, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

POST-SECONDARY EDUCATION

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, one of the most important issues to Canada's continuing prosperity is youth development.

While this government claims to care about global competitiveness, unfortunately it often takes steps to undermine Canada's competitive position.

The government talks about a learning culture while it cuts its spending on post-secondary education and imposes a 3 per cent tax on student loans. It says it wants to fight illiteracy while at the same time it imposes a tax on books.

It pretends to care about training while this department has seen drastic cuts. Between 1985 and 1990, the government cut the budget of the SEED program in half from $149.5 million to $77 million, depriving many young Canadians of job opportunities. Last year alone it cut $100 million from the Canadian Jobs Strategy.

It is time for this government to stop sending out mixed signals on the issues of education and training. It is time for this government to act in a consistent, constructive manner which will guarantee that Canada's young people get the education and training which will enable them to compete against the rest of the world.

[*Translation*]

CONFEDERATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, from today until November 8, an exhibition of life-size bronze busts of Canada's 18 Prime Ministers will be held to mark the 125th anniversary of Confederation. These busts were made by Dr. Joseph Adrien Letendre of Amos. On the base of each is a short biographical note giving the Prime Minister's main achievements.

Dr. Letendre is an orthopedic surgeon by profession. On a sabbatical year in Oxford, England, he developed a particular interest in sculpture. He spent ten years of his leisure time to complete this collection.

Mr. Speaker, I invite all my colleagues and all employees of the House of Commons to visit this exhibition, located in Room 525 of the Wellington Building in Ottawa.

* * *

[*English*]

HEALTH

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, Grant Devine and the Saskatchewan Tories could not pull it off but a Pennsylvania Democrat did. Last night Harris Wofford overcame a 40 per cent deficit in the polls to beat Republican heavyweight Dick Thornburgh in the Pennsylvania senatorial race. Wofford won on a platform of advocating nationalized health care in the United States and Pennsylvania voters sent a clear message to their President. They agree with Wofford.

Americans have heard about the efficient, affordable and universal Canadian health care system and have decided that they no longer want an expensive user-pay system which leaves 37 million Americans without adequate health care.

This victory should serve as a reminder to Canadians of the value of medicare and how fortunate we are to have it. It should serve to remind the present govern-

ment that the commitment to medicare in this country must be preserved and the cutbacks stopped. Finally it should serve as a warning to politicians across the country who wish to win the next election that to back away from the principles of universal medicare and to campaign for a user fees will mean certain defeat.

* * *

GOODS AND SERVICES TAX

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, all Canadians know that Canada's national financial burdens of debt and deficit are both federal and provincial partnership challenges. All know in their hearts that the goods and services tax is a necessary response to those burdens and is here to stay.

The constitutional proposals call for harmonization of federal-provincial interests in economic planning and financial budgeting. A good place to start that harmonization and that partnership is here and now with the goods and services tax in the interests of all Canadians.

Provincial initiative and leadership is required. I call on my own province of New Brunswick, which has long been a model for Canada, to lead again by the integration of the New Brunswick and federal sales tax systems as an expression of that leadership now.

* * *

FORESTRY

Mr. Réginald Bélair (Cochrane—Superior): Mr. Speaker, I find it difficult to believe that the NDP government of Ontario has accepted the Conservative government's federal-provincial forest agreement when the federal contribution has been drastically reduced from $15 million a year to $6 million a year.

The 1984 to 1989, $75 million agreement saw 100,000 hectares of forest regenerated, 166 million seedlings purchased and 400 kilometres of access roads constructed. The 1984 agreement was considered inadequate at the time and the future agreement should do more.

How can this government present this agreement as progress for the future of northern Ontario and its ailing forest industry? This is just another slap in the face of the working people of northern Ontario as a tonne of newsprint sells at 1982 prices and the softwood lumber industry has lost its markets because of the 15 per cent export surtax.

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JOHN FULOP

Ms. Barbara Greene (Don Valley North): Mr. Speaker, Canada is home to many refugees from terrorism and inhumanity, some of whom owe their very existence to the heroism of individuals who stood up to tyranny and fear itself.

John Fulop of Budapest, Hungary is such a man. Between October 15, 1944 and January 20, 1945 he saved the lives of my constituent Dr. Thomas Szirtes and five other Jews by hiding them first in his one room apartment and later in a 12 foot by 5 foot cellar.

As Dr. Szirtes has stated: "He did it because of his supreme dedication to helping the oppressed, his calling to save the persecuted and to alleviate the suffering of the sufferers. His bravery, his skill, his tenacity to keep our moral and physical beings alive were exceptional. He never lost his cool and he always had his presence of mind which was so essential to make possible our survival against overwhelming odds."

I would call upon all members of this House to recognize John Fulop's outstanding heroism and humanity.

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HEALTH

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, yesterday the Canadian health care system was given a show of support by our southern neighbours. Democratic candidate Harris Wofford defeated Republican Dick Thornburgh in the United States Senate elections. Mr. Wofford's campaign focused on the need for an affordable health care system based on the system we have in Canada.

• (1410)

At a time when the United States is moving toward a Canadian-oriented health care system, it seems rather ironic that this government is trying to phase out ours so that by the year 2000 the Canadian health care system as we know it will cease to exist.

Perhaps our health care system was one of the trade-offs in negotiating the U.S.–Canada free trade deal. Unfortunately I fail to see what Canada is getting in return.

In words of defeated candidate Dick Thornburgh: "The issue of health care commanded greater attention than we had anticipated. I guess we underestimated voters' concerns".

I would urge the Prime Minister and this government to stop underestimating the concerns of the Canadian voter and restore health care funding instead of making the mistake of listening to President Bush again.

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[*Translation*]

EDUCATION

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, this is Canada Career Week and I would like to take this opportunity to tell you how urgent it is to do something about education and careers. When we talk about the recession, unemployment, training, research and development, and high technology, we too often forget that education is the key to our economic progress. We are in the midst of an education crisis.

In Quebec, nearly 40 per cent of young people drop out of high school before graduation. It is time for all concerned, whether in the federal or provincial governments or in the labour movement, to agree to develop a strategy to rectify the situation. A complete, stimulating, well-directed education is essential to our prosperity. Young people have lost confidence and we must do our homework again. I hope that our jurisdictional quarrels will not compromise our young people's future and that everyone will open their eyes to reality, Mr. Speaker.

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[*English*]

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, all future agricultural policies are supposed to be market responsive, product neutral, sustainable and competitive.

I assume these four pillars apply to the distribution of the $700 million to non-horticultural crops announced during the Saskatchewan election, in which case there should be no question about including cultivated forages. They are good for soil. They take pressure off grains, oilseeds and pulses.

I am talking about good farm land above class 5 that can be easily converted back to other crops. I am talking about farmers who made good market decisions to switch to forages to reduce losses and to put nutrients back into the soil.

These crops have suffered from lower prices too. Surely the proposed assistance package must include all cultivated land whether seeded to cereals, oilseeds, pulses or forages. To do otherwise ignores the four pillars and common sense.

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RESEARCH AND DEVELOPMENT

Mr. John E. Cole (York—Simcoe): Mr. Speaker, our government's commitment to research and development will help secure Canada's future and ensure that our nation remains one of the best countries in the world in which to live.

It gives me great pleasure to inform the House that this Conservative government has committed $7.4 million to an industrial research and development institute to be established in Midland, Ontario. The institute will assist in the advancement of the tool, die and mould industries.

Universities, community colleges, and the industrial sector will work together to make the institute a leader in its field. Research in the industrial sector is vital. It goes to the very heart of all of our economic activity. The new technology and subsequent jobs which will emerge from this centre is one step toward ensuring Canada's continued prosperity and competitiveness.

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ARMISTICE DAY

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, in a few days Canadians will be celebrating Armistice Day and will rightfully honour our fellow citizens who have given their lives for our freedom in the First, Second and Korean Wars.

This November 11 we should also remember those Canadians, members of the armed forces who have given their lives in peacetime.

Last week five Canadians died near Alert, Northwest Territories, on a military mission. As the member for Glengarry—Prescott—Russell, I want to express my condolences to Master Warrant Officer Robert Grimsly of Limoges, Ontario and Captain Julie Trepanier of Cumberland. Both those constituents of Glengarry—Prescott—Russell lost their lives for their country. May they rest in peace.

* * *

THE CONSTITUTION

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to endorse the sentiments of my hon. friend who just spoke.

If you based your understanding of the government's proposals for a renewed Canada just from what is in the media, your view sure would be distorted.

We hear lots about the distinct society clause and other things which cause controversy.

But where is the debate on the elimination of interprovincial trade barriers? Where are the arguments for and against new powers of economic union? Why are Canadians not getting the facts about harmonizing budgets and tax systems? How about the division of powers which would cut duplication and bring government closer to the people?

I would like to urge all Canadians to demand an intelligent and comprehensive debate on these important economic initiatives. We have stared at our constitutional navels for long enough.

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ALEXANDER MACKENZIE BICENTENNIAL

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, the Government of Canada and the Government of British Columbia will spend close to $1 million to commemorate the Alexander Mackenzie Bicentennial in 1993.

Two hundred years ago Alexander Mackenzie was the first white man to cross Canada by land and the first white man to make contact with the 30,000 Indian people who lived in the Bella Coola Indian territory. The white men who followed Alexander Mackenzie spread disease, alcohol and firearms. They stole Indian land, resources and Indian artefacts. They destroyed Indian society and Indian people.

A hundred and fifty years after Mackenzie's visit there were only 239 Bella Coola Indians left on the face of the earth. Thirty thousand people had been annihilated.

Mr. Speaker, from you and other honorary patrons of the Alexander Mackenzie Bicentennial, the people of Bella Coola today would like to know what is there to celebrate about a genocide?

ORAL QUESTION PERIOD

[*English*]

GOODS AND SERVICES TAX

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance. According to the CFIB, for every dollar of sales tax in Germany it costs businesses less than half a cent to collect the tax. For every dollar of sales tax in the U.K. it costs businesses less than four cents to collect the tax. But in Canada it costs businesses 40 cents for every dollar of GST collected. It costs Canadian businesses nearly $7 billion to collect the GST.

You can say "bull" et cetera all you want, but these are the facts.

If the GST is such a simple tax, why is the collection cost to business in Canada one hundred times higher than that in Germany?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, if the hon. member would be honest with herself, she would realize that the statistics which she just quoted are hogwash. They are based on a survey which has no evidence, no support data, no proof of cost and is based on flawed methodology.

In fact I think that the respected columnist, Mr. Terence Corcoran in *The Globe and Mail* put it the best way this morning when he wrote: "Mr. Bulloch's $10 billion, essential to his sensational claims, is the product of fine but preposterous statistical manipulation". I agree with Terence Corcoran.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my follow-up question is for the Minister of National Revenue, he who claims to be fighting cross-border shopping.

Everyone knows that the GST is largely responsible for a flood of cross-border shopping which is costing thousands of Canadian jobs.

Can the government explain why, on the one hand, it is telling Canadians that we are going to cut back on cross-border shopping and on the other hand, in the government's GST Consumer Information Office bulletin released this week, the minister's office is suggesting: "The GST reminds holiday travellers that domestic flights are taxed at 7 per cent; all flights to Mexico, the Caribbean and to overseas are GST free. Bus and train trips within Canada are taxable, but there is no GST on bus and train trips to destinations outside Canada".

Why is the minister responsible for the GST also killing us with more calls for cross-border shopping in his own document?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, after extensive consultations over the last six to eight months across the country, I have put in place numerous programs which are working their way through the system in co-operation and consultation with the provinces, with the private sector, with the retail council, with labour and with the municipalities. In fact, if the hon. member attempts to pull together the GST and cross-border shopping, all she has to do is listen to what the head of the Retail Council of Canada recently stated. Mr. Alasdair J. McKichan, the president of the Retail Council of Canada, who I presume would be the most interested in cross-border shopping, made it very clear when he said, and I quote: "The phenomenon of cross-border shopping is not a child of the GST".

• (1420)

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the minister failed to answer my question.

Considering that Quebec, for instance, derives a substantial part of its income from tourism, an industry that is very important for the economic recovery of Quebec City, Montreal and all other regions in the province, why is his own department suggesting that Canadians take vacation trips outside the country? It is suggested in the department's own document that it will be cheaper to go skiing in the United States than in Canada!

My question to the minister is this: Why is he pursuing a GST policy that kills Canadian jobs and puts a heavy burden on our tourist industry?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, it isn't like that at all. Whether we are talking about the province of Quebec or the rest of Canada, we now have a very substantial program for advertising Canada in the United States.

Previously, there were a number of problems with campaigns in the United States to advertise Canada and its regions.

* * *

[*English*]

THE CONSTITUTION

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is to the Minister responsible for Constitutional Affairs.

Yesterday, much to the relief of all Canadians, the minister agreed to speak with the co-chairs of the constitutional committee regarding the problems facing that committee.

The situation which the committee faced yesterday in Manitoba could have been avoided. It saddens us all that such an important committee appears to be falling apart because of disorganization and lack of planning.

I would like to know what action the minister is taking to avoid the collapse of this critical unity committee.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I thank the member for his question. I continue to be impressed by the determination of all parties in this House to put partisan considerations aside and to try to recognize that we have to do everything we can to make the most out of this best instrument we have to allow Canadians to participate in the approval of the proposals that were put before them.

I have had preliminary conversations since yesterday with the two co-chairs. I have just had a conversation

with the member of this House who co-chairs and with representatives of the New Democratic Party and the Liberal Party who chair their delegations on the committee.

I understand that the steering committee has decided not to proceed with any of its hearings scheduled for later this week in northern Ontario. Those will be put back until a later time to allow the committee to ensure that a more effective organizational structure is put in place that is designed to improve the effectiveness of this committee procedure. That has been the approach outlined to me personally in a telephone conversation minutes ago with representatives of the three parties.

[*Translation*]

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would also like to thank the minister for his concern and his actions on behalf of all Canadians, because it is something we need for the unity of this country.

Some hon. members: Agreed.

Mr. MacLellan: Yesterday the Quebec minister of Intergovernmental affairs stated and I quote: "The principles are interesting but the proposals are unacceptable." Did the Prime Minister speak to Mr. Bourassa to make sure that Mr. Rémillard was indeed speaking on behalf of the Quebec government?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, we spoke with the premier's office, representatives and spokespeople of the Quebec premier. We have no reason to believe the Quebec government's position has changed.

Mr. Bourassa has said clearly that, for him and his government, the federal proposals are a valid basis for discussion. He has some reservations about the details of some of our proposals. In any case, the proposals are there to be improved, and we hope that Quebec, like all the other provinces and territories and all Canadians, will co-operate in a joint effort to improve our proposals.

[*English*]

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, my question is also directed to the Minister responsible for Constitutional Affairs.

I must say that I was delighted to hear that the committee has decided to suspend its operation for the next two days in northern Ontario to enable the committee to plan its future.

Obviously Canadians have indicated an interest in getting involved. We appreciate that the process is critical here in terms of providing ample opportunity for all Canadians to participate if they wish to. The minister has set the deadline of February 28 as the time for the committee to report. Will the minister indicate some willingness to reconsider this deadline to provide ample time, acknowledging the fact that we are getting into a pre-Christmas period in terms of Canadians' attention being perhaps turned to other than constitutional issues? Will he consider that date being put off a few weeks to enable the committee to do its job more properly?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, the hon. member knows as well as I do the rules of this House and its requirements. A report will be presented to this House by the special joint committee on its reporting day. There will then be a reply by the Government of Canada which will constitute the position of the Government of Canada which will be interpreted in Quebec in accordance with their Bill 150 as an offer, and which will be interpreted in other ways elsewhere in the country.

The time frames are very tight. They are not all of our making. I would not anticipate that there would be a change in the reporting date of the special joint committee that has been established by a resolution of this House.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have a supplementary for the same minister.

Obviously Canadians have indicated that when they are responding to what they see as a committee on the renewal of Canada that much of the discussion has taken place beyond strict constitutional matters, that they have also included matters of fair taxation, economic development, job creation and so on.

Will the minister responsible recognize that these are in fact appropriate interventions on behalf of Canadians concerned about the renewal of Canada and will he

make some effort to communicate to the two chairs that they be more tolerant in terms of a much more widespread debate on some of the critical issues facing the country's renewal?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I certainly will carry out what I take is part of my function to communicate the views expressed in the House to the two co-chairs of the committee.

I would also point out to the hon. member that among other things there is a public process of consultation on prosperity initiatives, a variety of other public consultations in the public domain that allow Canadians who are interested in other questions to raise those questions.

I would also repeat to him what I think is known to all in the House that if there is an individual, a political party or a government of a province that has a proposal to make on an issue related to, for example, a social charter, we would be very interested in seeing the detail of that proposal.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I think we all acknowledge that the leadership of the committee itself has to accept responsibility for the fact that it has not worked the way it had been intended to work.

We were informed this morning about some potentially very unfortunate remarks that one of the co-chairs made regarding the premier of the province of Quebec.

My question to the minister responsible is that if these quotes that are alleged to have been uttered by one of the co-chairs are in fact true in any form whatsoever, will the minister consider replacing that particular chair of the constitutional committee?

Mr. Speaker: I do not know that the minister can replace the co-chairperson of the committee. The committee is the master of its own procedure and that would have to be a matter for the committee.

* * *

[*Translation*]

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, my question is for the Minister of Finance. Knowing that the plans to harmonize the GST fully with the provincial sales tax clearly cannot be implemented, is the government now telling us that we will continue to be the only country with two retail sales taxes that are completely inconsistent and not harmonized?

• (1430)

Is the government now prepared to work with Canadians to clear up this disaster of its own making?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, discussions are in fact continuing. As the hon. member knows, Quebec saw fit to postpone the implementation of the harmonization for six months but it has certainly in no way backed away from the implementation of it.

There are other discussions going on with other provinces. I can only indicate that there is the prospect of success and achievement in these particular areas.

The hon. member says name them. My understanding is that talks are continuing with respect to the province of Newfoundland which has expressed an interest in the harmonization in order to improve efficiency and to reduce the administrative costs.

My own sense is that what is required now is the support, in fact the encouragement of all politicians and leaders and people who represent special interest groups to encourage the harmonization of the tax because in that way it can reduce the administration costs and make the whole tax system much more effective.

Mr. John Manley (Ottawa South): Mr. Speaker, I think the minister is living in a dream world if he thinks that harmonization is still going to occur.

Let me ask him this. He surely knows that one of the things that Canadians find most unfair about the GST is the fact that it taxes things that they consider to be essential in their daily lives. Yesterday, and we welcome this news, the minister announced among other things that lancets, button infusers, aerosol chambers and extremity pumps and guide dogs for the hearing impaired are going to be exempt from the GST.

Why will the minister consider exempting and zero rating other things that are essential to Canadians in daily life, things like fuel to heat their houses, children's clothing, other things that people need daily?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the hon. member is progressive enough to recognize that the old federal sales tax that was in place was not an appropriate tax for a modern economy and that there needed to be reform and a value added tax like the GST was the most appropriate.

The hon. member refers to the fact that some changes were made yesterday. This is the fourth occasion on which there have been changes implemented. I think he should also bear in mind that the object of the exercise was to reduce the over-all rate from 13.5 per cent, which was the tax under the old manufacturers' sales tax, to a lower level, but in so doing it had to cover a broader range of services and to generate essentially the same amount of tax revenue.

The hon. member knows and understands that the minute you start providing for more exemptions, you will either end up with less revenue or a higher tax rate. I guess what we are trying to do is implement the system so that it will be fair and equitable to all concerned.

Ms. Mary Clancy (Halifax): Mr. Speaker, compliance with the GST has cost $102 million in Nova Scotia. Sixty-nine per cent of this cost has been borne by small business. In the past year 1,867 businesses in Nova Scotia have gone bankrupt.

My question is for the Minister of Finance. Does he think that Atlantic small business has suffered enough? Will he act today to make the major change and end this punitive tax?

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, both yesterday and today I have been attempting to let hon. members know that the survey from which the hon. member is quoting and referring to is really a scam. If I may quote and let her in on a little secret from a letter of May 24 sent by Mr. Bulloch to his membership when he was sending out for the survey, he wrote in that letter: "The results from the attached survey will help greatly in demonstrating to government the very punitive effects a tax of this kind has on small firms".

I consider that manipulation. I consider that bias. I consider that a scam. I in fact consider that a fraud.

Some hon. members: Oh, oh.

Ms. Mary Clancy (Halifax): Mr. Speaker, I consider it a scandal that the government members can laugh at 1,867 bankruptcies in the province of Nova Scotia. That is no scam. That is true.

The statistics in New Brunswick and Newfoundland are similarly staggering. Will the minister today cease and desist his scorched EARP policy that is destroying small business in Atlantic Canada? That is no scam either.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, the reason I am looking down here—

An hon. member: We want an answer.

Mr. Jelinek: I have plenty of answers, my friend. If you would only listen and try to be fair.

Mr. Speaker: The minister will answer the question.

Some hon. members: Oh, oh.

Mr. Jelinek: Mr. Speaker, what I misplaced in my file here and what was offered by the Minister of Finance just now is what I stated in the House yesterday. That is a recent survey of the Atlantic region businesses on GST.

I repeat exactly what I said yesterday. I want to have the facts right, Sir. I am not like the member who tries to manipulate and switch.

* * *

THE ECONOMY

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance.

Last week when the minister was asked about the drop in national income which took place in August, he stated: "These data were stale. There are data which have come forth in the month of September".

Today, we have the latest data from October, and the help wanted index which came out today has fallen again. It is at the lowest point since this government took office in 1984.

Will this government now recognize that the recovery has caught pneumonia? Will the government end the GST so that business can put its money into new jobs, not into more bureaucratic paperwork?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I know that the hon. member will not argue the fact that the September

figures indicated that there was an increase in housing and an increase in the merchandise trade balance.

The unemployment figures went down from 10.6 per cent to 10.2 per cent. Since that time, there has been a further decline in interest rates. I think what is important, is to note that today the capital spending by Canada's 300 largest companies is expected to jump by 5.1 per cent to $43.4 billion in 1992.

I think that that is an expression of confidence in the economy, and if that kind of investment is going to take place, there will be jobs created as a result.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact the Bank of Montreal, which is a good friend of this government, has said that the unemployment rate in this country next year will be over 11 per cent. That is not acceptable.

[*Translation*]

The economy is really sick. Does the minister know that Canada is competing with Italy for the highest rate of unemployment? When will the minister come back to reality and invest in the economic recovery?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am not sure where the hon. member gets his figures from. I can only tell him that the IMF, the International Monetary Fund, projects Canada's growth to be 3.8 per cent in 1992. That will be exceeded only by Japan and that is uncertain.

• (1440)

Mr. Langdon: That is only a projection.

Mr. Mazankowski: The hon. member says that is only a projection. What is the hon. member suggesting when he talks about the Bank of Montreal suggesting an 11 per cent unemployment rate?

The IMF has projected a 3.8 per cent growth rate. The OECD has projected a 3.5 per cent growth rate for 1992. The corporate sector is prepared to increase its investment in capital by 5.1 per cent. That seems to me like some pretty positive indication that the recovery is about to be upon us. That will create jobs and economic activity, and the hon. member should welcome that.

TAXATION

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my question is directed to the Minister of Finance.

The Minister of Finance stands up in this House repeatedly and makes the claim that the cancellation of the manufacturers' sales tax is a great benefit to our manufacturers. Yet 80 per cent of the job loss in the province of Ontario is related to our manufacturing.

How does he square his claim that the cancellation of the manufacturers' sales tax is benefiting our manufacturers when we have such significant job loss?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the hon. member does understand that in fact the manufacturing sector has suffered not only in Canada and the United States, but indeed throughout the world there has been a substantive decline and a substantive decline in relationship to the other sectors, i.e. the service sectors.

I think that as we go through the process of globalization and attempting to compete more effectively in the globalized economy, there are certain adjustments and economies of scale that have be created in order to be competitive.

I think the hon. member would understand—and I am sure he does—that there is that adjustment and restructuring going on and a bit of that fall-out is recorded in that decline in unemployment in the manufacturing sector.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my supplementary question is for the Minister of Finance.

There are 900,000 entrepreneurs in this country who are opposed to the GST. They are our greatest hope for job creation.

The Minister of Finance and the minister of trade state repeatedly in this House that they are going to listen to Canadians and they are going to consult with Canadians. Who are his consultants that are telling him and his government that the GST is a good tax for the economy of this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, committees of this House, successive royal commissions and studies into the manufacturers' sales tax all recommended that it be

scrapped and that a more modern tax such as a value added tax or a GST be implemented. It was on that basis that this was done.

The federal sales tax, the manufacturers' sales tax, was archaic. It was a silent killer of jobs. It was not the kind of a tax to have for a country in a modernized global community. Therefore it needed to be changed.

There are refinements and improvements that have to be made and we are doing that. Yesterday we announced the fourth batch of improvements and refinements. It is a very major change in the tax system. Some 48 other countries in the world have it. We believe it is the best tax system to preserve jobs, to create new jobs and to maintain Canada's competitiveness.

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YUGOSLAVIA

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I want to pose a question to the Deputy Prime Minister.

I think it is fair to say that many Canadians are becoming increasingly concerned and disappointed at the deafening silence of this government on the tragic circumstances of Yugoslavia and the lack of any action.

We are told that there are proposals going forward to the NATO summit this week. They will be asking for a full economic embargo including oil and a potential blockade of the Adriatic by NATO forces.

I want to ask the Deputy Prime Minister: Will the Canadian Prime Minister be supporting these initiatives for an oil embargo at the NATO summit? Will we be instructing our UN ambassador to be pushing for UN endorsement of an embargo? Will the Deputy Prime Minister today say that our country is prepared to participate in those international efforts?

[*Translation*]

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, my colleague surely knows that the foreign ministers of the European Community have said that they were considering taking further measures in view of the failure of the peace negotiations, including a kind of embargo as an expression of condemnation. We know that along with the NATO meeting, the EC ministers will meet in Rome and make a decision on this subject.

My hon. colleague also knows that the Prime Minister is now in Rome with the Secretary of State for External Affairs, and talks will be held on that topic. He also knows that we now support the measures taken by the European Community.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, that is no answer, given the urgency of this situation.

I also have a supplementary question for the same minister. There are more than 300,000 refugees in Croatia; thousands of people, particularly children, are living in terror and misery. Last week, I asked for an airlift to transport food and medicine for the people of Yugoslavia, but nothing was done. I again ask when Canada will act and offer humanitarian aid together with the international community to help the people of Yugoslavia.

Hon. Monique Landry (Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Mr. Speaker, I regret that my colleague is not informed, but Canada has already answered an international appeal. On October 9, in reply to the International Committee of the Red Cross, we granted $250,000 in aid to help more people.

We are now considering other possible offers and my colleague knows very well that Canada always responds very generously to appeals for help and we shall continue to do so.

* * *

[*English*]

NUCLEAR VESSELS

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Associate Minister of National Defence on the issue of nuclear subs.

The government has put forward the justification for its policy that these transits of subs are safe. Yet today an American nuclear sub collided with the French fishing trawler.

The minister will also be aware that the Federal Environmental Assessment Review Office in a memorandum to its minister said that the Department of National Defence was claiming so–called national securi-

ty as the justification for the government trying to avoid a full public hearing on the issue of these U.S. nuclear visits to Canadian waters.

What conceivable national interest is it of Canada that a public hearing on this be avoided? Who is the government standing on guard for, Canada or the United States government?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I find it rather incredible because this issue has been raised in the House before and the Secretary of State for External Affairs has responded a number of times.

I would ask my hon. colleague a question. It is indeed by taking these measures that we are soundly asserting Canada's sovereignty to the Dixon Entrance. We are saying they can only pass with advance notice and with the appropriate protection with respect to compensation if there should be an accident. This measure was taken by the government to protect Canadian sovereignty and to stand on guard for all Canadians.

Mr. John Brewin (Victoria): Mr. Speaker, the minister ought to be aware that the Orders in Council go beyond Dixon Entrance but also include visits to Canadian ports and Canadian waters.

I want to quote from this same memo of the Federal Environmental Assessment Review Office which said:

> National Defence's reluctance to conduct an initial assessment under the EARP needs to be questioned. It has come to our attention that the United States conducted an environmental review with extensive public involvement of an acoustic testing facility for nuclear submarines to be located in—Alaska, notwithstanding the obvious defence related sensitivity of that facility.

My question is the same as that put by the federal environment department to its minister and to cabinet. If such public consultation was possible for the United States in this situation, how come it is not possible for the Canadian government to assure public assessment review in Canada?

• (1450)

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I think the hon. member is aware that it was the government back in 1967 which authorized port visits of nuclear propelled ships and/or submarines at certain ports within Canada. We have in fact over the past 20 years been monitoring those visits. Indeed, we have recently completed an environmental assessment of those visits, which was made available to colleagues who had an interest in it.

The outcome of that environmental assessment shows that there is negligible, in fact insignificant impact resulting from those visits. We will continue our monitoring of course and ensure that information is made available. But there has been in fact a positive impact from those visits, as my colleague from Victoria well knows. The welcome the Victoria Chamber of Commerce has given to many of our allies when they come to his city has been I know very much appreciated by them.

* * *

SMALL BUSINESSES

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question is directed to the Minister of State for Small Businesses and Tourism.

I am sure the minister agrees that small business is the backbone of the Canadian economy and that anything we can do to ease the paper burden associated with operating a small business would greatly add to its productivity and growth.

Can the minister advise Parliament of any specific measures that he has or will undertake that would ease this burden? Can small business be assured that this government is going to attack this problem?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I want to thank my hon. friend for the interest that he takes in this subject.

There is no doubt that small businesses everywhere in the industrialized world are having to cope with additional paperwork. As a result of that, our government works across all departments to try to decrease that paper burden.

I will just give some examples. Some 85 per cent of small businesses no longer has to fill in Statistics Canada questionnaires. We have had a number of forms by Employment and Immigration Canada declared redundant. We have electronic communications in Supplies and Services.

I have 47 other examples of things we are doing, but the most important thing we can do is to make sure that our special task force works quickly on this matter. That task force is working on it now. More important, if we decrease the size of government we will decrease the number of pieces of paper.

* * *

[*Translation*]

THE CONSTITUTION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the Minister responsible for Constitutional Affairs. First I wish to thank the minister on behalf of the Bloc quebecois for not giving us a seat on the Castonguay-Dobbie committee. He spared us the embarrassment of sitting on a committee that is becoming the laughingstock of this country.

We know what people would have said if we had been on the committee today. They would have said it was our fault, that we sabotaged the committee. However, I can see the committee does not need any help.

On top of that, the minister responsible for this dossier in Quebec City announced yesterday that the proposals of—

[*English*]

Mr. Speaker: I would ask the hon. member to put his question.

[*Translation*]

Mr. Bouchard (Lac-Saint-Jean): Mr. Speaker, the minister responsible for this dossier in Quebec City announced that the federal government's proposals were unacceptable, which has been confirmed by the results of opinion polls in Canada and Quebec. My question is one that many Canadians and Quebecers are asking today: Why does the government not withdraw its proposal and stop wasting everybody's time and money?

Right Hon. Joe Clark (President of the Privy Council and Minister Responsible for Constitutional Affairs): Mr. Speaker, I know the hon. member refuses to consider the advantages offered by Canada. I know he wants to deny Quebecers an opportunity to consider those advantages. We think we have an extraordinary country and that the people of Canada, the people of Quebec and the rest of Canada, have the right to consider how to preserve and develop that country, how to improve the federal government's proposals.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, what the minister thinks is one thing, and what Quebecers think is something else again. That is why a bill was passed by the National Assembly, obliging the government to hold a referendum on sovereignty no later than October 1992. And I understand that to observe the time frame—

Mr. Speaker: Perhaps the hon. member would like to ask his question.

Mr. Bouchard (Lac-St-Jean): Mr. Speaker, I can understand that the government wants to meet the Quebec constitutional agenda. My question is this: Will the minister give the members of this House as well as the people of Quebec and Canada the assurance that the federal government offer will indeed be tabled next March?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): I cannot say March, Mr. Speaker.

* * *

[*English*]

CANADIAN OWNERSHIP ACCOUNT

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the finance minister.

In 1981 the Canadian Ownership Account was established in order to increase Canadian ownership of the oil and gas industry in Canada. Canadians paid for this through a levy on the domestic price of oil and gas.

The energy minister, in response to a question, indicates there is $2 billion in this account as of March 19, 1991, but the finance minister in an October 22 letter stated that the money has already been spent on deficit reduction.

I just simply ask the finance minister: Is the money in somebody's account?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I am glad that the hon. member asked me the question because I read the article in which she responded to this question.

I want to tell her first of all that when the revenue came in it became part of the Consolidated Revenue Fund, part of the revenue for the government for that year.

An hon. member: That is not what you said.

Mr. Epp: That is exactly what I said. In fact in 1986, if we go back to the Auditor General's report, he asked for a change in the accounting and we did that as well.

I say to the hon. member that if she would have followed the answer that she received from both the Minister of Finance and myself, she would have found especially that her speculation in the press that there must be some private slush fund, some fund for the Conservative Party for re-election, at best was unimaginative. It was wrong. She should not have said it, and I am glad she was now able to correct the record.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am surprised that the minister is so defensive on this issue.

Canadians are looking for answers and they are looking for integrity in government. If it is not in the Minister of Finance's account—and you say it is in your account; he says he has reduced the deficit with it—why is it still on your books, Mr. Minister?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I am not defensive. I was just trying to show the hon. member how wrong she was again, but I will try to be even kinder in my second answer.

Under the accounting system which the Auditor General asked us to do it obviously is an account. I will go back. She once had responsibilities as I did in municipal affairs and under law we had to have certain accounts at that time based on the by-laws that we had to work under.

The same thing applies here. I wish there was another $1.9 billion. The fact of the matter is that it goes into the Consolidated Revenue Fund. She should have know that and the speculation that she had might have been a good press story but it sure was not accurate.

CREDIT CARDS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, this evening for the third time in just five years a parliamentary committee will begin an inquiry into the costs to consumers of credit cards.

As was noted in this House last week, the spread between card rates and the banks' prime is now an unacceptable 11.25, but even more costly to consumers is the outrageous way the banks calculate interest on those cards. Unless you pay your debt in full, they refuse to reduce interest charges.

Will the Minister of Consumer and Corporate Affairs give us an update on a recommendation made two years ago and accepted by the government that credit card issuers be compelled to calculate interest charges in a manner which fully credits any partial payment by the credit cardholder?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, my colleague is raising an important point. The way interests charges are calculated is quite complicated, indeed. The date from which they are calculated is not the same for everyone. Partial payments are not always processed in the same way: some process them daily, others monthly. In some instances, the consumers benefit from this. In any case, I agree with my hon. colleague that perhaps banks did not do their best in the interest of the consumers. I am open to suggestions.

[*English*]

I know the committee is starting its hearings this evening. I will be more than happy to listen to its recommendations. I will meet with the bankers in the very near future to discuss that as well.

* * *

• (1500)

[*Translation*]

FOREST PRODUCT INDUSTRY

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, in the Ottawa area, throughout Quebec and across the country, the forest product industry is facing unprece-

dented difficulties. The stakeholders in that industry, all of them, Mr. Minister of Finance—I apologize, but my question is directed to him—say that the unfavourable rate of exchange is having a catastrophic effect on the industry.

Would it not be time—besides reducing the exchange rate—to call a Canadian forest ministers' summit to join forces against this problem?

[*English*]

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, the forest products sector is in a very serious cyclical situation which is compounded by a number of factors, some of them environmental, and other factors including the exchange rate.

I would point out to my hon. friend however—I just did some research on that a couple of days ago—in 1976 when our dollar was above the U.S. dollar, industry had a return on their investment of about 10 per cent.

In 1985 when the dollar was down to 73 cents the industry was flat broke. That would point to the fact that while the exchange is a factor in the equation of the present circumstances in which the industry finds itself today, it is not the only factor. There are other more serious issues that are involved and all of them have to be considered together.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, very briefly, the Minister of National Revenue in an exchange with my colleague from Halifax I believe either breached or came close to breaching in its entirety Standing Order 18. I wish to bring that to your attention. Perhaps the hon. member in the spirit of reform would want to reflect upon his remarks and perhaps withdraw them.

Hon. Otto Jelinek (Minister of National Revenue): Mr. Speaker, being honest with myself, I would not want to abuse any of the rules and privileges of this House. If I have I would certainly withdraw them but I do not think I did.

Mr. Speaker: I will look at the "blues".

The hon. member for Sault Ste. Marie on a question of privilege.

PRIVILEGE

ITINERARY OF CONSTITUTIONAL COMMITTEE

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, I rise on a point of personal privilege which arises from the itineraries of the constitutional committee. I understand that it is a long-standing tradition that Parliament be in control of its parliamentary papers and more contemporary papers that print the business of this House. It is deemed contemptuous should that be contravened.

Perhaps the analogy is erroneous but I refer to the GST ad about a year ago. I think all Canadians were offended by that and I believe the Speaker was as well.

An ad was published in the local newspaper with my name cited as an information person. I had no knowledge at all of the agenda of the constitutional committee and where it would be meeting. I understand no one from the steering committee endorsed the ad in the newspaper. The question is: who is endorsing it, who is spending the money of the committee?

As far as the personal breach of privilege, my office for three days has been inundated with calls asking: "What about information that you should have". I know nothing of it whatsoever. I tried to have the radio and newspaper ads withdrawn, even though no one endorsed them and that was refused. I think it is unfortunate that unity could be lost in a process rather than the substance of what is in the constitutional package.

These ads were published without my knowledge or my permission. I ask you, Mr. Speaker, to take this very seriously as you normally do.

Mr. Speaker: I have listened to the hon. member for Sault Ste. Marie on a question of privilege.

As has been indicated to him, it would be my intention at this point to adjourn the question of privilege in order to be sure that others who may well be involved in it would be here to respond.

I notice the hon. member for Shefford is rising, but I am sure he would co-operate with the Speaker.

I assure the hon. member for Sault Ste. Marie that I will do everything I can to bring this matter back to the Chamber as quickly as possible and I will be trying to do it by tomorrow.

* * *

POINT OF ORDER

CONSTITUTIONAL COMMITTEE

Mr. Jim Hawkes (Calgary West): Mr. Speaker, I rise to continue a theme that I began a week ago Friday in a speech, I hope on behalf of all members of the House.

I wish to draw members' attention to today's edition of *The Ottawa Sun* and in particular to the editor in chief, Richard Van Sickle and his editorial and cartoon.

The editorial and the cartoon concentrate on the problems of our constitutional committee in the country. Page 3 has an article. In total, there are 27.75 column inches devoted to the problems of the committee. There is 4.75 inches of headline.

There is not one word about the good work which committee members did yesterday hearing witnesses, Canadians who put a lot of time and trouble into their presentations on our Constitution.

Mr. Speaker: I am sorry. The hon. member has made a point. I am not sure it is a point of order.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

The House resumed from Tuesday, November 5, consideration of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, as reported with amendments from Legislative Committee H.

Mr. Speaker: It being three o'clock p.m., pursuant to order made Tuesday, November 5, 1991 the House will now proceed to the taking of the recorded divisions on motions at the report stage of Bill C-17, an act to amend the Criminal Code and the Customs Tariff.

Call in the members.

The House divided on Motion No. 12, which was negatived on the following division:

(Division No. 54)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Boudria
Brewin
Caccia
Clancy
Dingwall
Edmonston
Flis
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harvard
Hopkins
Jordan
Karygiannis
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
MacWilliam
Marchi
Martin (Lasalle—Émard)
Mifflin
Mills
Nowlan
Parent
Phinney
Prud'homme
Riis
Simmons
Stewart
Vanclief
Walker
Young (Acadie—Bathurst)—75

Assad
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Breaugh
Butland
Catterall
Copps
Dionne
Finestone
Fontana
Funk
Gagliano
Gray (Windsor West)
Harb
Heap
Hovdebo
Kaplan
Kilger (Stormont—Dundas)
Laporte
Lee
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
Milliken
Nault
Nunziata
Peterson
Pickard
Rideout
Rodriguez
Speller
Taylor
Waddell
Wappel

NAYS

Members

Anderson
Attewell
Bertrand
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Chadwick
Clark (Yellowhead)
Collins
Couture
Danis
DeBlois
Dick
Dorin
Edwards
Fee
Ferland
Fretz
Greene
Gustafson
Hawkes

Andre
Beatty
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Campbell (Vancouver Centre)
Chartrand
Cole
Corbeil
Crosby (Halifax West)
Darling
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks

Hockin	Hogue
Horner	Horning
Hudon	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Landry
Langlois	Lapierre
Larrivée	Layton
Leblanc (Longueuil)	Lewis
Loiselle	Lopez
Malone	Martin (Lincoln)
Mayer	Mazankowski
McCreath	McDermid
McKnight	Merrithew
Monteith	Moore
Nicholson	Oberle
O'Kurley	Plourde
Redway	Ricard
Richardson	Robitaille
Saint-Julien	Schneider
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Sparrow	Stevenson
Thacker	Thorkelson
Tremblay (Lotbinière)	Turner (Halton—Peel)
Valcourt	Van De Walle
Venne	Vien
Vincent	Weiner
Wenman	Wilbee
Winegard	Worthy—106

PAIRED—MEMBERS

Charest	Pagtakhan
Proud	Tremblay (Québec-Est)

Madam Deputy Speaker: I declare the motion lost.

Mr. Dingwall: Madam Speaker, since the second amendment, Motion No. 19, is a Liberal amendment, I think there is a disposition, and perhaps members of the House will want to comment, of the House to apply the vote on Motion No. 12 to Motion No. 19.

Mr. Riis: Madam Speaker, we would agree to that.

Mr. Hawkes: The government members agree to that, I believe Madam Speaker.

Mr. Harvey (Edmonton East): I did not vote on the last motion but I would like my vote recorded with my party on this one.

Mr. Prud'homme: The hon. member was kind enough to say that he did not vote. There were many others who did not vote. Do they want to do the same gesture, or do they just want to remain seated?

The House divided on the amendment of Mr. Nault, which was negatived on the following division:

(Division No. 55)

YEAS

Members

Althouse	Assad
Axworthy (Saskatoon—Clark's Crossing)	Axworthy (Winnipeg South Centre)
Bélair	Bellemare
Bevilacqua	Blackburn (Brant)
Boudria	Breaugh
Brewin	Butland
Caccia	Catterall
Clancy	Copps
Dingwall	Dionne
Edmonston	Finestone
Flis	Fontana
Foster	Funk
Gaffney	Gagliano
Gauthier	Gray (Windsor West)
Grey (Beaver River)	Harb
Harvard	Harvey (Edmonton East)
Heap	Hopkins
Hovdebo	Jordan
Kaplan	Karygiannis
Kilger (Stormont—Dundas)	Langdon (Essex—Windsor)
Laporte	LeBlanc (Cape Breton Highlands—Canso)
Lee	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	MacWilliam
Manley	Marchi
Marleau	Martin (Lasalle—Émard)
McGuire	Mifflin
Milliken	Mills
Nault	Nowlan
Nunziata	Parent
Peterson	Phinney
Pickard	Prud'homme
Rideout	Riis
Rodriguez	Simmons
Speller	Stewart
Taylor	Vanclief
Waddell	Walker
Wappel	Young (Acadie—Bathurst)—76

NAYS

Members

Anderson	Andre
Attewell	Beatty
Bertrand	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Bouchard (Lac-Saint-Jean)
Bourgault	Boyer
Brightwell	Campbell (Vancouver Centre)
Chadwick	Chartrand
Clark (Yellowhead)	Cole
Collins	Corbeil
Couture	Crosby (Halifax West)
Danis	Darling
DeBlois	Della Noce
Dick	Domm
Dorin	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Fontaine
Fretz	Gray (Bonaventure—Îles-de-la-Madeleine)
Greene	Guilbault
Gustafson	Harvey (Chicoutimi)
Hawkes	Hicks
Hockin	Hogue
Horner	Horning
Hudon	Jacques
James	Jelinek
Johnson	Joncas
Jourdenais	Kempling
Koury	Landry

Langlois
Larrivée
Leblanc (Longueuil)
Loiselle
Malone
Mayer
McCreath
McKnight
Monteith
Nicholson
O'Kurley
Redway
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Thacker
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
Wenman
Winegard

Lapierre
Layton
Lewis
Lopez
Martin (Lincoln)
Mazankowski
McDermid
Merrithew
Moore
Oberle
Plourde
Ricard
Robitaille
Schneider
Shields
Sobeski
Stevenson
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Worthy—106

PAIRED—MEMBERS

Charest
Proud

Pagtakhan
Tremblay (Québec-Est)

The House divided on Motion No. 19, which was negatived on the following division:

(Division No. 56)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Boudria
Brewin
Caccia
Clancy
Dingwall
Edmonston
Flis
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harvard
Heap
Hovdebo
Kaplan
Kilger (Stormont—Dundas)
Laporte
Lee
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
Milliken
Nault
Nunziata
Peterson
Pickard
Rideout
Rodriguez
Speller
Taylor
Waddell
Wappel

Assad
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Breaugh
Butland
Catterall
Copps
Dionne
Finestone
Fontana
Funk
Gagliano
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Jordan
Karygiannis
Langdon (Essex—Windsor)
LeBlanc (Cape Breton Highlands—Canso)
MacAulay
MacLaren
MacWilliam
Marchi
Martin (Lasalle—Émard)
Mifflin
Mills
Nowlan
Parent
Phinney
Prud'homme
Riis
Simmons
Stewart
Vanclief
Walker
Young (Acadie—Bathurst)—76

NAYS

Members

Anderson
Attewell
Bertrand
Blenkarn
Bouchard (Roberval)
Bourgault
Brightwell
Chadwick
Clark (Yellowhead)
Collins
Couture
Danis
DeBlois
Dick
Dorin
Edwards
Fee
Ferland
Fretz
Greene
Gustafson
Hawkes
Hockin
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Larrivée
Leblanc (Longueuil)
Loiselle
Malone
Mayer
McCreath
McKnight
Monteith
Nicholson
O'Kurley
Redway
Richardson
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Thacker
Tremblay (Lotbinière)
Valcourt
Venne
Vincent
Wenman
Winegard

Andre
Beatty
Blais
Bosley
Bouchard (Lac-Saint-Jean)
Boyer
Campbell (Vancouver Centre)
Chartrand
Cole
Corbeil
Crosby (Halifax West)
Darling
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Horning
Jacques
Jelinek
Joncas
Kempling
Landry
Lapierre
Layton
Lewis
Lopez
Martin (Lincoln)
Mazankowski
McDermid
Merrithew
Moore
Oberle
Plourde
Ricard
Robitaille
Schneider
Shields
Sobeski
Stevenson
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vien
Weiner
Wilbee
Worthy—106

PAIRED—MEMBERS

Charest
Proud

Pagtakhan
Tremblay (Québec-Est)

Madam Deputy Speaker: Accordingly I declare the amendment to Motion No. 19 and Motion No. 19 both negatived.

The next question is on Motion No. 20A. A vote on this motion also applies to Motion No. 23A.

• (1540)

The House divided on Motion No. 20A which was negatived on the following division:

(Division No. 57)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Bosley
Boudria
Brewin
Caccia
Clancy
Darling
Dionne
Finestone
Fontana
Funk
Gagliano
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Jordan
Karygiannis
Langdon (Essex—Windsor)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Marchi
Martin (Lasalle—Émard)
Mifflin
Mills
Nowlan
Parent
Phinney
Prud'homme
Riis
Rodriguez
Simmons
Stewart
Vanclief
Waddell
Wappel
Assad
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Bouchard (Lac-Saint-Jean)
Breaugh
Butland
Catterall
Copps
Dingwall
Edmonston
Flis
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harvard
Heap
Hovdebo
Kaplan
Kilger (Stormont—Dundas)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
Milliken
Nault
Nunziata
Peterson
Pickard
Rideout
Robinson
Saint-Julien
Speller
Taylor
Venne
Walker
Young (Acadie—Bathurst)—84

NAYS

Members

Anderson
Beatty
Blais
Bouchard (Roberval)
Boyer
Campbell (Vancouver Centre)
Chartrand
Cole
Corbeil
Crosby (Halifax West)
DeBlois
Dick
Dorin
Edwards
Fee
Ferland
Fretz
Greene
Gustafson
Hawkes
Andre
Bertrand
Blenkarn
Bourgault
Brightwell
Chadwick
Clark (Yellowhead)
Collins
Couture
Danis
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hockin
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
Malone
Mayer
McCreath
McKnight
Monteith
Nicholson
O'Kurley
Redway
Richardson
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Thacker
Tremblay (Lotbinière)
Valcourt
Vien
Weiner
Wilbee
Worthy—97
Hogue
Horning
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
Martin (Lincoln)
Mazankowski
McDermid
Merrithew
Moore
Oberle
Plourde
Ricard
Schneider
Shields
Sobeski
Stevenson
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Winegard

PAIRED—MEMBERS

Charest
Proud
Pagtakhan
Tremblay (Québec-Est)

Madam Deputy Speaker: I declare Motion 20A lost.

Therefore I declare Motion No. 23A lost as well.

Mr. Dingwall: Madam Speaker, I think there would be a clear disposition perhaps of the House that the vote which was just taken on Motion No. 20A which applied to Motion 23A could also apply to Motion No. 41.

Mr. Bosley: Madam Speaker, I would like my vote to count on the negative of this motion please.

Mr. Riis: Madam Speaker, on behalf of the New Democratic Party caucus we agree to that proposal.

Mr. Darling: Negative on that vote.

[*Translation*]

Mr. Saint-Julien: Madam Speaker, I wish to see my vote recorded in favour of Motion No. 41.

Mr. Robitaille: Madam Speaker, I wish to see my vote recorded in favour of Motion No. 41.

[*English*]

Mr. Hawkes: I think with those changes, Madam Speaker, the remainder of this caucus would vote against the motion.

[*Translation*]

Mr. Prud'homme: Madam Speaker, on a point of order.

Madam Deputy Speaker: The hon. member for Saint-Denis, on a point of order.

Mr. Prud'homme: Madam Speaker, with all these unaccustomed changes, I would be very interested to hear the results of the vote.

Madam Deputy Speaker: It seems our clerk is also an excellent mathematician.

[*English*]

The House divided on Motion No. 41 which was negatived on the following division:

(*Division No. 58*)

YEAS

Members

Althouse
Axworthy (Saskatoon—Clark's Crossing)
Bélair
Bevilacqua
Bouchard (Lac-Saint-Jean)
Breaugh
Butland
Catterall
Copps
Dionne
Finestone
Fontana
Funk
Gagliano
Gray (Windsor West)
Harb
Harvey (Edmonton East)
Hopkins
Jordan
Karygiannis
Langdon (Essex—Windsor)
Laporte
Leblanc (Longueuil)
MacAulay
MacLaren
MacWilliam
Marchi
Martin (Lasalle—Émard)
Mifflin
Mills
Nowlan
Parent
Phinney
Prud'homme
Riis
Robitaille
Saint-Julien
Speller
Taylor
Venne
Walker
Young (Acadie—Bathurst)—83

Assad
Axworthy (Winnipeg South Centre)
Bellemare
Blackburn (Brant)
Boudria
Brewin
Caccia
Clancy
Dingwall
Edmonston
Flis
Foster
Gaffney
Gauthier
Grey (Beaver River)
Harvard
Heap
Hovdebo
Kaplan
Kilger (Stormont—Dundas)
Lapierre
LeBlanc (Cape Breton Highlands—Canso)
Lee
MacDonald (Dartmouth)
MacLellan
Manley
Marleau
McGuire
Milliken
Nault
Nunziata
Peterson
Pickard
Rideout
Robinson
Rodriguez
Simmons
Stewart
Vanclief
Waddell
Wappel

NAYS

Members

Anderson
Beatty
Blais
Bosley
Bourgault
Brightwell
Chadwick
Clark (Yellowhead)
Collins
Couture
Danis
DeBlois
Dick
Dorin
Edwards
Fee
Ferland
Fretz
Greene
Gustafson
Hawkes
Hockin
Horner
Hudon
James
Johnson
Jourdenais
Koury
Langlois
Layton
Loiselle
Malone
Mayer
McCreath
McKnight
Monteith
Nicholson
O'Kurley
Redway
Richardson
Scott (Hamilton—Wentworth)
Siddon
Sparrow
Thacker
Tremblay (Lotbinière)
Valcourt
Vien
Weiner
Wilbee
Worthy—99

Andre
Bertrand
Blenkarn
Bouchard (Roberval)
Boyer
Campbell (Vancouver Centre)
Chartrand
Cole
Corbeil
Crosby (Halifax West)
Darling
Della Noce
Domm
Duplessis
Epp
Feltham
Fontaine
Gray (Bonaventure—Îles-de-la-Madeleine)
Guilbault
Harvey (Chicoutimi)
Hicks
Hogue
Horning
Jacques
Jelinek
Joncas
Kempling
Landry
Larrivée
Lewis
Lopez
Martin (Lincoln)
Mazankowski
McDermid
Merrithew
Moore
Oberle
Plourde
Ricard
Schneider
Shields
Sobeski
Stevenson
Thorkelson
Turner (Halton—Peel)
Van De Walle
Vincent
Wenman
Winegard

PAIRED—MEMBERS

Charest
Proud

Pagtakhan
Tremblay (Québec-Est)

Madam Deputy Speaker: I declare Motion No. 41 lost.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that the bill, as amended, be concurred in.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: 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. 59*)

YEAS

Members

Althouse	Anderson
Andre	Axworthy (Saskatoon—Clark's Crossing)
Axworthy (Winnipeg South Centre)	Beatty
Bélair	Bellemare
Bertrand	Bevilacqua
Blackburn (Brant)	Blais
Blenkarn	Bosley
Bouchard (Roberval)	Bouchard (Lac-Saint-Jean)
Boudria	Bourgault
Boyer	Breaugh
Brewin	Brightwell
Butland	Caccia
Campbell (Vancouver Centre)	Catterall
Chadwick	Chartrand
Clancy	Clark (Yellowhead)
Cole	Collins
Copps	Corbeil
Couture	Crosby (Halifax West)
Danis	Darling
DeBlois	Della Noce
Dick	Dingwall
Dionne	Dobbie
Dorin	Duplessis
Edmonston	Edwards
Epp	Fee
Feltham	Ferland
Finestone	Flis
Fontaine	Foster
Fretz	Funk
Gaffney	Gagliano
Gauthier	Gray (Bonaventure—Îles-de-la-Madeleine)
Gray (Windsor West)	Greene
Guilbault	Gustafson
Harb	Harvard
Harvey (Chicoutimi)	Harvey (Edmonton East)
Hawkes	Heap
Hicks	Hockin
Hogue	Hopkins
Horner	Horning
Hovdebo	Hudon
Jacques	James
Jelinek	Johnson
Joncas	Jordan
Jourdenais	Kaplan
Karygiannis	Kempling
Kilger (Stormont—Dundas)	Koury
Landry	Langdon (Essex—Windsor)
Langlois	Lapierre
Laporte	Larrivée
Layton	LeBlanc (Cape Breton Highlands—Canso)
Leblanc (Longueuil)	Lee
Lewis	Loiselle
Lopez	MacAulay
MacDonald (Dartmouth)	MacLaren
MacLellan	Malone
Manley	Marchi
Marleau	Martin (Lasalle—Émard)
Martin (Lincoln)	Mayer
Mazankowski	McCreath
McDermid	McGuire
McKnight	Merrithew
Mifflin	Milliken
Mills	Monteith
Moore	Nicholson
Nunziata	Oberle
O'Kurley	Parent
Phinney	Pickard
Plourde	Prud'homme
Redway	Ricard
Richardson	Rideout
Riis	Robinson
Robitaille	Rodriguez
Saint-Julien	Schneider
Scott (Hamilton—Wentworth)	Siddon
Simmons	Sobeski
Sparrow	Stevenson
Stewart	Taylor
Thacker	Thorkelson
Tremblay (Lotbinière)	Valcourt
Vanclief	Van De Walle
Venne	Vien
Vincent	Waddell
Walker	Wappel
Weiner	Wenman
Wilbee	Winegard
Worthy	Young (Acadie—Bathurst)—172

NAYS

Members

Domm	Grey (Beaver River)
Holtmann	MacDougall (Timiskaming)
Nault	Nowlan
Parker	Porter
Shields	Speller
Thompson	Turner (Halton—Peel)
White—13	

PAIRED—MEMBERS

Charest	Pagtakhan
Proud	Tremblay (Québec-Est)

Madam Deputy Speaker: I declare the motion carried.

When shall the bill be read a third time? Pursuant to order made Tuesday, November 5, 1991 later this day.

ROUTINE PROCEEDINGS

[*English*]

HEALTH

MEME BREAST IMPLANT

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, pursuant to Standing Order 32(2), I would like to table, in both official

languages, a review of the regulatory and administrative issues concerning the Meme breast implant.

• (1600)

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to 13 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

TABLING OF DOCUMENTS

EXPENSES OF MEMBER FOR ABITIBI

Mr. Saint-Julien: Point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Abitibi on a point of order.

Mr. Saint-Julien: Madam Speaker, I would like to have the unanimous consent of the House to table, in both official languages, a disclosure statement on the expenses incurred in the performance of my duties as member of Parliament for Abitibi in July, August and September 1991.

[*English*]

Madam Deputy Speaker: Is there unanimous consent for the hon. member to table such a document?

Some hon. members: No.

[*Translation*]

Madam Deputy Speaker: There is no unanimous consent at this time.

Mr. Saint-Julien: Point of order, Madam Speaker.

Madam Deputy Speaker: The hon. member for Abitibi on a point of order.

Mr. Saint-Julien: I consider that consent was not given by the opposition, that is the Liberal Party and the NDP. Thank you.

[*English*]

Mr. Rodriguez: Point of order, Madam Speaker. The previous speaker's comments are totally out of order. The opposition on this side did not say no. The no came from the government side. As a matter of fact I give him consent to table his report.

[*Translation*]

Madam Deputy Speaker: We now move to Statements by Ministers. The Hon. Minister of National Health and Welfare.

* * *

HEALTH

MEME IMPLANT

Hon. Benoît Bouchard (Minister of National Health and Welfare): Madam Speaker, on August 17, the Montreal *Gazette* published an article on the Meme breast implant, alleging that it did not comply with the Medical Devices Regulations. Following that article, I asked my department to examine the issue of the Meme implant, to find out if these allegations were true. I have now received the department's report, which I am pleased to table in the House today.

First, I want to respond to the allegation that the Meme implant had not been checked before it was put on the market. I am convinced, given the information that the department has, that the Meme implant was available to Canadian surgeons before Part V of the Medical Devices Regulations took effect on October 8, 1982 and that it was not necessary then for the manufacturer to make a submission.

As for the second allegation, that the Meme implant has been modified many times since 1984, the manufacturer has given the department written assurances that only the size, shape or volume of this device has been changed. Without any scientific evidence to the contrary, we should take the manufacturer, who did not inform the department when those changes were made, at his word.

However, the report indicates a discrepancy between the strict interpretation of the regulations and the administrative practices of the department when the

ownership of the maker of medical devices that can be implanted changes. I want to dispel any other suggestion that the department would have been at fault regarding this medical device. That is why I want another opinion on the department's findings.

[*English*]

I have asked my deputy minister to have an audit firm from outside the government examine the department's actions on demand and to determine whether officials follow the appropriate administrative practices. My deputy minister has consulted with the Auditor General on the terms of reference for the outside audit.

My main concern is for the women who have these prostheses. We will continue to make available to these women and their physicians any new information regarding the safety of these products.

I encourage women who want information on the Meme or other breast implants to write to my department.

[*Translation*]

On the basis of our present knowledge, we can say that the main risks to women are those related to the actual surgery: complications as a result of anaesthesia and post-operative shock, infection and scarring. These risks are no greater with the breast implant that with other protheses, and the type of implant does not seem to make a noticeable difference.

At the request of the department, the Canadian Medical Association assembled a group of specialists to advise physicians on the use of polyurethane-coated breast implants, including the Meme implant. The group's report is published in the 1991 November 1 issue of the Canadian Medical Association's review, which is sent to all Canadian physicians. I will send a copy of the report to my provincial counterparts, to inform them of the results of the study and the recommendations formulated by the group, and I will ask for their views on the recommendations concerning jurisdiction.

[*English*]

We will also conduct a survey to obtain information from Canadian women regarding their experience with breast implants. We will request the collaboration of *I Know/Je sais Network*.

I encourage all women with breast implants to participate in this survey. The department will also be asking doctors to make their patients aware of this study.

The regulation of medical devices is a very serious matter. In March of this year we established the Medical Devices Review Committee under the chairmanship of Dr. Ambrose Hearn. The committee is examining the regulatory framework under which medical devices are sold on the Canadian market and will make recommendations for regulating devices over the coming years.

The committee will hear from consumer groups as well as from the medical, scientific and manufacturing sectors. It will report in the spring of 1992.

In closing, I want to assure Canadians, especially those women who have the Meme implant, that Health and Welfare Canada will continue to monitor the safety and effectiveness of these devices.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I am delighted to respond to the minister's statement on the Meme breast implant. I applaud his statement.

There are certainly two issues and they are quite clear. These are the same issues that have been before us for some time. They are the safety of the product, the health of Canadian women and the reliability of the Research Branch of the Ministry of National Health and Welfare in deeming something safe or unsafe.

The history of the Meme has been chequered, to say the least. Its manufactured name has changed several times over the years. As a result of a grandfather clause it has had open access to the Canadian market without scrutiny and has been exempt from government checks.

At least five of the minister's own scientists have said the product was unsafe and women across Canada have also said that it was unsafe and should be withdrawn from the market. Yet in those months when it was very much under discussion the ministry did not act until the U.S. Food and Drug Administration withdrew the product from the market.

I raised this issue on several occasions in this House of Commons. Due to the unsatisfactory response of the then minister and the government I introduced a private member's bill, C-279. It is an act to amend the Food and

Drugs Act (breast prostheses). This bill has had first reading in this House and waits its turn for full debate in the House of Commons.

The purpose of Bill C–279 is to ensure that people are protected from dangerous or potentially dangerous breast prostheses, including the Meme.

I welcome the minister's decision for an independent review of his research practice within his own department. Earlier the ministry review was made by a surgeon who implanted the Meme in her patients, an obvious conflict of interest.

You do not ask a user surgeon if the product is safe. You do not ask the head of your own research branch if the department is acting properly with regard to medical devices. You do not ask the manufacturer of a product, such as the Meme, if its product is safe. You go to an outside source for an independent review. This is exactly what the minister is going to do.

We need only to go back in history to find a few examples of medical devices that can kill or maim. The one that immediately comes to mind is the IUD. Yet many stay on the Canadian market without meeting proper safety standards.

I am not scare mongering and I do not think anyone in this House has ever meant to scare monger. However we need to be concerned about safe products and good health practices, as well as about standards within a department that is responsible for the health and welfare of all Canadians.

• (1610)

Again I applaud the minister for this step forward and an enlightened approach. I will closely follow and monitor the minister's survey and encourage Canadians, especially women who have had implants, to participate in the process.

I thank you very much for the opportunity to respond to the minister on this very important subject.

Mr. Phillip Edmonston (Chambly): Madam Speaker, we are cautiously optimistic about the minister's statement. It is not often that we can applaud what the other side of this House does but this is one day I think we can. Much of what we have asked for the minister has given us today.

The government has admitted that it is willing to correct a wrong. The wrong it is going to correct is a wrong of the government's own making. We are going to see an audit which is something that our party and the women involved in *I Know/Je sais* have asked for for a long time.

We will see what actually transpired between the government's regulations and its dealing with the manufacturer of the Meme transplant. In looking over the minister's statement I find that he makes a kind of half–hearted admission that the government made a mistake. He seems to say: "We did not do anything quite wrong, but I am not quite sure because there seems to be something that could have been done better."

I applaud the fact that the government side is going to look into this mistake and is going to have an outside scientific audit once and for all to determine what dangers are associated with this implant. That is very important.

It seems when you look at the consumer history of implants and women and the control of their bodies, that women have been guinea pigs. Women have been testing devices on the market which have never really been fully tested before being marketed. I hope that perhaps when the government makes its audit and comes up with its conclusions that it will be very quick and forthright in giving its conclusions to the Canadian public. I believe the government can only learn from its mistakes and by being forthright, open and transparent with the people who are most affected, the people who have had these implants as well as the public in general.

Another important statement made by the minister is that there is going to be a general survey not just on the Meme implant but on breast implants generally. That is very important and it is very important that the people in the *I know/Je sais* network be consulted. They have had first hand experience. They have created their own network and because of the self–help they have been responsible for I think they are the best placed people to contribute to this survey.

Only last week our party was calling for this type of action from the government. I want the government to know that the problem is not going to go away. I just learned from my colleague who has been responsible for the dossier that just last week two women were offered the Meme implant again. Now the minister probably does not believe that but I will be very happy to supply him with the information on the incident and he can look into it. The minister says it cannot happen, these implants are not available in Canada and then you come

up and see a woman who has had these implants. I mean that is the reality that we are faced with as a political party. That is the reality that women are faced with when they come up against this government and tell it: "Look, I have one reality and you have another, I do not believe you know what is really happening on the market."

In conclusion I want the minister to know very clearly that the offer to consult and collaborate with the *I Know/Je sais Network* is one which is going to be taken up by the women in this network. I would like the minister to know that this group of women will not be drawn in to any co-operation without assurances from his department that all—and I mean all—will be done to correct past errors. When I say all, the minister is aware of a letter that was sent to him quite recently by my office that women who want these implants out of their bodies should have, with his provincial counterparts, all the financial support needed to get these devices out of their bodies.

I hope the minister will look at the request made from my office and at the same time start this scientific technical audit as soon as possible as well as have this survey with the *Je sais/I Know Network*.

* * *

VETERANS AFFAIRS

REMEMBRANCE DAY

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Madam Speaker, it is my proud duty today as Minister of Veterans Affairs for Canada to remind this House and indeed all Canadians that Monday, November 11 is Remembrance Day. It is certainly a very special day for the free world.

[*Translation*]

Considering that the future of our country is at stake, I think it would be appropriate if we were all particularly attentive this year to the significance of Remembrance Day.

[*English*]

Just a couple of months ago I had the honour to lead a pilgrimage of Canadian veterans. They returned to Sicily and Italy for the first time in six years to visit the graves of some 6,000 compatriots. The Mediterranean campaign lasted 20 months and was the longest campaign waged by the Canadian army in the Second World War, yet it was fought in relative obscurity and unwarranted anonymity.

I cannot help but wonder whether our country would have benefited had Canadians been exposed to the hour by hour television coverage of the battle for Ortona–Montecassino or the Hitler line and all the other battles of the two world wars and Korea, in much the same manner as we received almost instant news from the Persian Gulf. We would have known so much better the sacrifices made on our behalf and the horrors our veterans faced. I think Canadians would have even better appreciated our Canadian veterans.

We might also have appreciated Canada better. Viewers would have seen young men from the prairies sailing with their countrymen from the maritimes. They would have seen regiments raised in Quebec City and Winnipeg battling side by side in the futile effort to save Hong Kong. They would have seen air crews from Canadian cities thousands of miles apart flying together in the Battle of Britain. Viewers would have seen not western Canadians, not central Canadians, not Atlantic Canadians but Canadians. They would have seen Canada at its very best.

[*Translation*]

If television cameras had existed at the time, they would have shown us men and women rising above all petty concerns, involved in a tremendous joint effort, ordinary Canadians from all the provinces and territories acting as one to accomplish a task and risking their lives in the name of the traditional virtues of duty and patriotism.

[*English*]

It is no surprise that our veterans' organizations are once again fighting for Canada as they conduct vigorous national unity campaigns. They do not want to let down the 115,000 men and women who were killed with the Canada flash on their shoulders.

Next April we will be commemorating the 75th anniversary of Vimy Ridge, Canada's greatest victory in time of war. General Byng, Commander of the Canadian Corps recalled the victory in these magnificent terms:

> There they stood on Vimy Ridge that 9th day of April, 1917. Men from Quebec stood shoulder to shoulder with men from Ontario, men from the maritimes with men from British Columbia and there was

forged a nation tempered by the fires of sacrifice and hammered on the anvil of high adventure.

[*English*]

If we allow these words to become a mocking echo in the future, it seems to me that we will have failed those we are commemorating on Remembrance Day. That will be more than a shame for Canada, it will be disgrace.

Let this be the time for us to show courage and commitment to our country Canada. Let this be the time for new generations of nation builders. On November 11 let us all remember the sacrifices of those nation builders who died so our country and the free world could prosper.

Madam Speaker, we owe that to them.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, on each November 11 we make statements to commemorate the supreme sacrifice made by many young Canadians so that we and future generations could speak freely inside and outside the Parliament of Canada in this rich and magnificent country.

We gather around more than 1,700 cenotaphs of the Royal Canadian Legion across Canada to lay wreaths and poppies in their memory.

As time goes on there is a danger that some people will consider it a common practice or just simply the "thing to do".

For all of us every day of our lives should be a Remembrance Day because many young Canadians gave up their lives so that the rest of us could continue to build Canada into a great land of opportunity for all.

If we do not continue to build Canada into a strong and united country, if we do not continue to build Canada into a great land of opportunity for years to come then we will not be remembering the serious cause for which more than 112,000 young Canadians died in World War I, World War II and the Korean conflict. Tens of thousands more brought their lifetime wounds back home with them.

Canadian historians have stated that Canadian nationhood was born on the battlefields of Europe. One has only to visit and witness the massive but beautifully maintained memorial cemeteries in Europe and Korea, where the grave markers remind us of the teenagers and early 20-year olds who never returned to Canada and who are resting far from home. They never had the opportunity to participate in and live out their days in their beloved Canada. At this early age they answered the call to responsible duty and left their native land, never to return. Dreams lie buried in those foreign fields, dreams of families left behind, dreams of families yet to be born, dreams of careers, dreams of peace and dreams of home.

Those young Canadians who never returned to their homes and families never knew what they did for all of us, and what their sacrifice meant to the entire world. But we know and we must remember.

We all try in our own way to honour both the casualties and the survivors of those terrible wars. We have as a society tried to pay back some of the debt which we owe. We have developed veterans' benefits programs which are the envy of the world but we must do more.

Those young men and women who died in foreign fields and those who came back did not fight for benefits or pensions. They fought for ideals, they fought for freedom and they fought for justice.

They fought for what was right. They fought for Canada and the free world. In this place as we pay tribute we must, each of us, re-dedicate ourselves to seeking solutions to our problems in their and our beloved Canada.

Just as one of our respected House of Commons constables salutes and turns a page in the Book of Remembrance in the Peace Tower of this Parliament each day of the year at eleven o'clock, we as living and gifted Canadians must work toward turning a new page in Canadian history. We must set this great nation of ours and theirs on a renewed course toward a Canada that is strongly united and a Canada that is clearly a great land of opportunity.

It is within our power to guarantee that they did not die in vain. On Remembrance Day let us make their memory the inspiration which will lead us to maintain and indeed improve the country which they died to defend. They accepted the responsibility to fight for the rights and privileges of each and every one of us.

Let us remind ourselves constantly that we too have responsibilities and obligations to our country. They managed the wars for us. It is now our duty to manage

the peace for them. In all of these ways we will be remembering them.

Mr. Les Benjamin (Regina—Lumsden): Madam Speaker, it is an honour and a welcome duty to be able to rise in my place on behalf of my colleagues in memory of those men and women who served our country during her armed conflicts.

I also want to urge all Canadians to remember with me those who have suffered most from the insane cruelty of modern warfare; the innocent civilians of many lands, the men, women and children who endured hardship and death during wartime.

Canada has been at war a number of times this century. On each occasion the burden of service has been borne mainly by Canadians of unspectacular origins, by the sons and daughters of farmers, foresters, fishermen, miners, nurses, doctors and factory workers.

When Canada called they rose from their native soil. They left their families, their communities and their work to face the guns of the enemy. Too many did not come home.

We can never repay those who returned. We must never forget those who did not.

I want to compliment the minister on his statement, particularly the part pertaining to keeping this country whole. Those in Canada who want to break up our country had better explain to Canada how they can callously disregard those who gave their lives for this country.

About 110,000 Canadians—French, English, aboriginal, Métis and those who immigrated from other countries—fought together not for western Canada, Atlantic Canada, Ontario or Quebec. They fought for all of Canada.

When I visited cemeteries in Europe there were many instances where I saw English names, French names and Indian names on gravestones side by side. I thought about my country. Are those who would break up our country or who do not care if it does break up telling us that those who gave their lives or suffered their wounds did it for nothing?

• (1630)

Since the end of the Second World War, Canada has tried to repay its veterans and generally has done well. As a nation we have keenly felt our duty and obligation to those who risked so much in our name.

However, it gives me great pain to have to remind this House and all Canadians that some of our bravest souls have received as part of their reward indifference and neglect.

The first Canadians to fight fascism in the Spanish Civil War have never received even the thanks of the government of their country, nor have they received the slightest compensation for the risks they faced for the sake of democracy.

Many members of Canada's First Nations contributed mightily to our nation's efforts in World War II and Korea. In many cases their armed service created problems they had not faced before. We as our nation's parliamentarians are only now learning of these difficulties. Aboriginal veterans are entitled to the fullest veterans' benefits and to any benefits denied them. They must be given the most sympathetic review and reconsideration retroactively.

There is one group whose members have been denied their rightful reward and may be standing on the verge of receiving the full recognition they have earned.

On October 2 the Standing Committee on National Defence and Veterans Affairs tabled its first report of this parliamentary session in the House of Commons.

I was very glad to have the privilege of working with the other committee members on that report. I am even more pleased to be able to endorse without reservation its recommendations.

The committee recommended unanimously that Canadian merchant mariners with one or more high seas ocean-going assignments during wartime be fully recognized as veterans and that full veterans' benefits be extended to them. The committee also recommended that a Book of Remembrance dedicated solely to merchant mariners who died in Canada's wars be placed in the Peace Tower.

Finally the committee recommended that the Department of Veterans Affairs encourage the construction of a suitable monument to honour the memory of Canada's

wartime merchant mariners. The committee suggested as well that Halifax would be a suitable site for such a monument.

The Minister of Veterans Affairs now has an opportunity, with the support of all other members of this House from all parties, to respond positively to the committee's recommendations. I hope he does so quickly. It is long past time for Canadians to seek out our forgotten heroes. We must do this to help realize some of our most profoundly held national ideals.

Not only must we never forget, we must strive to remember and ensure that veterans' benefits go to all veterans.

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATION

TABLING OF REPORT ON VISIT TO JAPAN

Mr. Charles DeBlois (Beauport—Montmorency—Orléans): Madam Speaker, in response to an invitation from the Speaker of the House of Representatives of the Japanese Diet, a Canadian delegation visited Japan from October 12 to October 20, 1991, and it is my privilege to present its report. During our visit, we had an opportunity to meet and talk to Japanese parliamentarians on a number of subjects of mutual interest, including international trade, fisheries, Canadian exports and forestry products and the relations between our two countries generally. This parliamentary exchange was a success and it was an enriching experience for participants on both sides.

First of all, I wish to thank our Japanese hosts for their kindness and hospitality, and I also want to thank members of the Canadian delegation, who are to be commended for their contribution and the excellent way they represented this House. In concluding, I would like to say this was an outstanding contribution towards strengthening the existing harmonious relations between Canada and Japan.

* * *

[*English*]

HOUSE MANAGEMENT

15TH AND 16TH REPORTS OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 114, I have the honour to present the 15th and 16th reports of the Standing Committee on House Management. If the House gives its consent I intend to move concurrence in these reports later this day.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

COMPETITION ACT

MEASURE TO AMEND

Mr. Phillip Edmonston (Chambly) moved for leave to introduce Bill C-321, an act to amend the Competition Act (class actions).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed carried.

Mr. Edmonston: Madam Speaker, today as I introduce this private member's bill whose purpose is to amend the Competition Act to allow consumers to bring class actions, I feel I have finally accomplished something I have been considering since the sixties, which is related to all the work I have done on consumer protection.

I know that in Quebec we already have legislation that allows consumers to bring class actions, and in the United States this legislation has been around for 20 years. Today, as I introduce this private member's bill, we are doing for Canada what we have already done in Quebec.

I hope that members on all sides of the House will look at this bill and read it carefully, because it is extremely important for Canadian consumers. I hope we will be able to adopt this bill or that perhaps the government will improve on it by adopting similar legislation.

Madame Deputy Speaker: Mr. Edmonston moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

• (1640)

[*English*]

HOUSE MANAGEMENT

CONCURRENCE IN 15TH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I move that the 15th report of the Standing Committee on House Management, presented to the House earlier this day, be concurred in.

Motion agreed to.

16TH REPORT OF THE STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I move that the 16th report of the Standing Committee on House Management, presented to the House earlier this day, be concurred in.

Motion agreed to.

* * *

PETITIONS

CROATIA

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, pursuant to Standing Order 36, it is my duty to table petitions signed by 1,649 Canadians residing in metropolitan Toronto and region, Windsor, Kitchener, Rexdale, Oshawa, Pickering, Downsview, Port Colborne, Norval, Brampton, Woodbridge, Hamilton and many other regions of Ontario.

The petitioners statement that:

Whereas Croatia instituted a democratic government in a multi-party election conducted in April 1990 and;

Whereas 94 per cent of the population of Croatia voted for independence and;

Whereas, the anachronistic communism fuels the Yugoslav army backed Serbian terrorists as they continue their brutal attack on thousands of unarmed Croatian civilians, women and children and;

Whereas, Croatians like all other peoples are entitled to freedom, democracy and the right to self-determination and;

Whereas, Canada has an international reputation as a moral authority and as such can initiate the democratic process without compromising world peace, the petitioners humbly pray and call upon Parliament to take the initiative in officially recognizing Croatia as an independent and sovereign democratic nation.

Mr. Bob Horner (Mississauga West): Madam Speaker, I have the honour to present this petition on behalf of the undersigned residents of Canada. There are 1,748 signatures of petitioners who humbly pray and call upon Parliament to take the initiative in officially recognizing Croatia as an independent, sovereign and democratic nation.

Pursuant to Standing Order 36, the attached petition has been certified correct as to form and content.

GOVERNMENT SPENDING

Mr. Stan Wilbee (Delta): Madam Speaker, I am pleased to present to the House, pursuant to Standing Order 36, a petition signed by approximately 600 residents of my constituency of Delta and the surrounding municipalities.

These petitioners are very concerned about our country's national debt and call upon Parliament and the government show continuing restraint measures involving government spending.

Mr. Al Horning (Okanagan Centre): Madam Speaker, pursuant to Standing Order 36, I wish to present a petition signed by approximately 3,000 residents of my riding of Okanagan Centre who call for the government to limit spending.

Whereas, in spite of significant cuts to various programs in recent years the accumulation of the national debt continues to grow at the rate of $58,000 a minute—one third of all federal tax revenues are already used just to service the debt, a figure that can only grow if spending is not kept under control—whereas, the average Canadian now works half a year just to pay the taxes levied by different governments at the local, provincial and federal levels, the same organizations continue to call for government to spend even more money of our tax dollars. The most recent federal budget proposes to

limit by law the amount of money that may be spent on federal government programs over the next five years.

The undersigned, our petitioners, humbly pray and call upon Parliament to show support for restraint by unanimously passing a proposed law to limit government spending.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today, 29 and 55.

[*Text*]

Question No. 29—**Mr. Cook:**

With respect to the delivery of advertising flyers in North Vancouver, (a) what is Canada Post's cost per 1,000 (b) what does Canada Post charge for providing this service?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): a) Canada Post Corporation operates in a highly competitive market. Therefore the Corporation cannot compromise its competitive position by releasing commercially sensitive information.

b) Please find attached the unaddressed admail base single mailing rates.

There are separate large volume unaddressed admail mailers whom have entered into contractual arrangements with Canada Post. Details concerning these contracts are proprietary to the corporation and its customers. However, all of these agreements are in keeping with Canadian competition policy.

UNADRESSED ADMAIL
BASE SINGLE MAILINGS RATES
EFFECTIVE JULY 2, 1991

	*Premium			**Economy		
RESIDENTIAL RATES	Up to 50g	Over 50g		Up to 50g	Over 50g	
(Delivery to Residence only) (Volume)	per piece	per piece	+ per kg	per piece	per piece	+ per kg
Up to 5,000	9.0¢	5.7¢	66¢	8.5¢	5.4¢	62¢
5,001 - 10,000	8.0	5.2	56	7.0	4.5	50
10,001 - 20,000	7.8	5.1	54	6.8	4.4	48
20,001 - 30,000	7.6	5.0	52	6.6	4.3	46
30,001 - 40,000	7.4	4.9	50	6.4	4.2	44
40,001 - 100,000	7.2	4.7	50	6.2	4.1	42
SINGLE SHEET	N/A	N/A	N/A	5.3	N/A	N/A
SAMPLE RATES up to 100,000	13.5	10.0	70	12.5	9.0	70
BUSINESS RATES (Delivery to Businesses only)	9.9	6.5	68	N/A	N/A	N/A

* Premium—[Within Collective Agreement size specification delivered by Letter Carrier]

** Economy—[Outside of Collective Agreement size specification delivered by Admail Helper]

Question No. 55—**Mr. Wappel:**

What is the exact cost to Canada Post for producing each white and red cardboard folder which contains groups of 10 stamps?

Hon. Harvie Andre (Minister of State and Leader to the Government in the House of Commons): The cost of definitive stamp packs is variable, based on the quantity ordered. An averaging on costs for 1991 production and the projected cost for a new design to be implemented January 1, 1992 are as follows:

		1991 cost	1992 cost
Queen	10 X Domestic Rate	$0.0734	$0.0532
Flag	10 X Domestic Rate	$0.0705	$0.0523

* refers to non-philatelic products

[*Translation*]

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I ask that the remaining questions be allowed to stand.

Madam Deputy Speaker: The questions enumerated by the hon. parliamentary secretary have been answered. Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

[*English*]

MOTIONS FOR PAPERS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I ask that all Notices of

Motions for the Productions of Papers be allowed to stand.

Madam Deputy Speaker: Shall all notices be allowed to stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

YUGOSLAVIA

Madam Deputy Speaker: I have received an application pursuant to Standing Order 52 from the hon. member for Winnipeg South Centre.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, I would like to make a case respecting the need for an emergency debate on the situation in Yugoslavia.

Let me first say that no one in this House has any reservations about the problems there. We all know about the deteriorating situation. What we have to do to satisfy the requirement for an emergency debate is to meet the test of urgency.

I want to make the case to the Chair that we have had no opportunity in this House to have a full debate on the circumstances. There was some negotiation a week or so ago to have a general resolution. That has not been possible, and the Secretary of State for External Affairs has now left for an extended visit overseas. Therefore members of Parliament are deprived of the opportunity to make their views known and those of their constituents.

I would like to bring another important fact to the attention of the Chair. There were reports today in the European press, particularly in the *London Financial Times*, that proposals would be made tomorrow at the NATO summit, which the Prime Minister is attending, concerning the need for an oil embargo and the possible NATO blockade of the Adriatic. These are serious discussions that would have very important implications for this country in terms of our commitment to those two orders.

It would be absolutely essential before a decision is made by the Prime Minister at that NATO summit meeting within the next 36 hours that this Parliament have the opportunity to debate the matter and to let the voice and concerns of Canadians be known.

It appears to me that the events taking place at the NATO summit are a primary cause for the need for an emergency debate and for this Parliament to speak with a voice so that we can represent the very serious concerns of many Canadians about the deplorable situation in Yugoslavia.

[*Translation*]

SPEAKER'S RULING

Madam Deputy Speaker: I listened very carefully to the arguments presented by the hon. member. I think that all members of this House are quite aware of the very serious problem that exists in Yugoslavia at this time and know that discussions will take place in the coming days.

I have also considered all the arguments that the hon. member presented to me and I believe, all things considered, that it would not really be appropriate for me to agree today to the request or to grant the hon. member's request. This does not prevent the hon. member from repeating this request in the coming days.

Madam Deputy Speaker: Pursuant to the order adopted on Tuesday, November 5, 1991 and considering the time taken to vote on the report stage of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, I wish to inform the House that Government Orders will be extended by 52 minutes.

[*English*]

I wish to inform the House that pursuant to Standing Order 33(2)(b), because of the ministerial statements Government Orders will be further extended by 32 minutes, for a total of one hour and 24 minutes.

Mr. Cooper: Madam Speaker, as you will know from conversations that we had in the House yesterday afternoon, there was some concern that we may possibly run out of time today at the end of the day. We had all agreed that we would not see the clock to allow a few members to complete their remarks or one member or whatever the case may be.

First I wanted to confirm that again and, second, just make certain that the House understands that during that time period no dilatory motions or quorum calls would be receivable by the Chair.

• (1650)

Mr. MacLellan: Madam Speaker, I think we are in agreement with the parliamentary secretary.

I would say, though, that some leniency should be shown with those who do want to speak because by then we will be in 10-minute speeches.

I can guarantee that this will be the one day for speeches but I would hate, particularly after going with one speaker on second reading, to deny members the right to speak. I know that my hon. friend shares my feeling on that. I think we have an understanding.

Mr. Waddell: Madam Speaker, I would agree with what my two friends have said.

We would try with one of our 20-minute speakers to get two at 10 minutes. Perhaps the House will give us some leniency on that.

I hope and trust that we will continue our debate today. It was a rather remarkable debate that we had last night on amendments which flowed very well. It flowed late. Many people got on, through co-operation in the House, and we expedited a lot of work very quickly, very efficiently and very fairly. I think we can do that today. I will sit down so that the minister can get started.

[*Translation*]

Mrs. Venne: Madam Speaker, I would like to know if I understand correctly, because we are rather far away. Will we agree to go on a little later than scheduled and not to request a quorum at that time? Is that all there is in that motion or is there something else that I might not have heard from my seat?

Madam Deputy Speaker: The hon. member for Saint-Hubert heard exactly the same thing as the Chair did. I think we have the cooperation of all hon. members for this debate to be orderly and for as many members as possible to take part in it.

As I just said, the time spent on voting and on ministers' statements will be added to it, so we have 1 hour and 15 minutes more than scheduled. Further to the motion, it was agreed that hon. members would not be timed right to the minute and would be allowed to finish at the end of the day.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, be read the third time and passed.

She said: Madam Speaker, I will try to keep my remarks at third reading reasonably brief because I did have the opportunity to speak at second reading and I want to give as many colleagues as possible a chance to put their views on the record in reasonable time.

I want to acknowledge the very hard work of members of this House who contributed to these proceedings. It really was an extraordinary effort. Members of all parties have taken an active interest in gun control legislation.

Their knowledge and concerns have helped bring forward many new ideas and possibilities, not only for this legislation but for future policy as well.

[*Translation*]

Gun control is a very difficult issue. During the past two years, members of this House have been made aware of the concerns of many Canadians. As this process has developed, we have heard that gun control is not just a justice issue, but also one of public health and accident prevention that touches everyone.

[*English*]

The progress of the proposed amendments from the special committee to the legislative committee was very important for developing reasonable, effective and practical legislation because it provided an opportunity for everyone with an interest in firearms or gun control to be heard and to be questioned by members of Parliament.

This is an important element of the democratic process. If we are to have workable legislation, we must have well informed legislators.

I think it is important just to say a few words about the process because much of the commentary of it seemed to suggest that the committee process was a delay and that it represented a lack of will on the government side of the House to see this legislation through. Nothing could have been further from the case.

As I think all of the people who participated in the process will be well aware, the differences in points of view on this particular issue are profound. The differences arise from the fact that this is such an enormous country with such an enormous diversity of life experience.

I can speak from my particular reality as an urban person. I am the member of Parliament for Vancouver Centre. My city is a major centre of the drug trade in Canada. It is a port. It is subject to pressures for crime. We are very close to the United States. That border is very close to our particular community and all the difficulties that that creates with the smuggling of firearms and drugs and other difficult sources of criminal activity.

The people in my part of the country, the people in my constituency, are largely preoccupied with the question of public safety and are concerned about the role that firearms play in destabilizing the comfort level that is so important and destabilizing their sense of security.

Not all of my constituents have that particular point of view. There are also among my constituents members of shooting organizations and people who like to hunt as a recreation. But the majority of them have what we might call that urban perspective. Yet at the same time many of the people of my own province—I do not even have to go out of British Columbia—live a totally different reality where firearms are a daily part of their lives either because they are hunters, because they are ranchers, because they live far from urban centres, because there are predators in their midst, because they hunt as a natural part of supplementing their food supply, or because they enjoy shooting sports. They are responsible users of firearms. They feel that somehow those who wish to increase gun control are trying to solve the urban crime problem on their backs and they resent that.

The realities are profoundly different. What this bill represents is a really heroic and very mature attempt by members of Parliament from around this country to bring together those realities, to try to understand one another, to try to understand the need to create a framework of firearms legislation in this country that does provide security for people and that does provide a sense of safety.

In fact that good legislative framework is the best guarantee that those who wish to continue to use firearms for hunting or sporting purposes will be able to continue to do so, because the majority of Canadians will then be comfortable and secure in the knowledge that those who use firearms are competent to do so, that they are screened to do so, and that they are people who are using those firearms responsibly. Where they do not do so, society has the tools necessary to call them to account.

Even though I am from Vancouver Centre and represent that point of view, I think it is very important. I have learned a great deal from listening to other members of Parliament about the reality of their constituencies. That has been an extraordinary part of the sharing of attitudes that has gone on in the committee processes dealing with this legislation.

[*Translation*]

I am very pleased with the recommendation that the legislative committee has put forward. I am confident that these amendments will strengthen the legislation and make it more effective. All of us want a bill that will preserve the safety of the Canadian public and at the same time improve the administration of the gun control system.

[*English*]

I am especially happy to report that members from all parties who sat on this committee achieved substantial consensus on the amendments put forward. They were, like all members of this House, very much united behind the public safety goals of the legislation. But they also shared a desire to improve the administration of the gun

control system to ensure fairness to firearms owners and users.

This bill has measures to keep firearms out of the hands of those who should not have access to them, to limit access to the most dangerous types of firearms and to strengthen the sentencing and deterrence aspects of the law. The amendments put forward by the legislative committee not only preserve but enhance these goals. Some of the most positive and useful suggestions that have emerged during the hearing process have to do with specific areas of prevention. One of those has been the idea that court prohibition orders could be extended to apply to situations where there is a risk that a firearm could be misused even if this has not previously occurred. A prohibition order is of course an order which prohibits an individual from owning or being in possession of a firearm.

The sentencing measures were strengthened in Bill C–17 by adding drug trafficking to the list of offences for which a court can make a discretionary firearms prohibition order. The committee has proposed adding the offence of importing narcotics. This proposal will help to reduce a small but very dangerous area of firearms misuse, and I strongly support it.

• (1700)

As a result of evidence heard by the special committee on gun control chaired by the hon. member for Kitchener provisions were included in the bill which will allow courts to impose firearm prohibition orders in bail release and peace bond applications. This will help the authorities to remove firearms temporarily from potentially dangerous situations even before a trial takes place. I think it is important to point out that in many of these applications that result from domestic disputes there is a situation, a very volatile situation, where the presence of a firearm is an extraordinarily dangerous catalyst to perhaps further violence.

What this bill does is require the courts in considering those peace bond or bail applications to consider the presence of a firearm in that situation and, where appropriate, to issue a prohibition order even before the matter has gone to trial. I think most people would agree that that is an extremely important provision.

I would also like to comment very briefly on the debate on the amendments that took place at report stage, not on the specifics. I would like simply to say that I think Canadians who watched that debate were treated to a remarkably reasoned and intelligent discussion of the various aspects that have to go into consideration in drafting legislation in this area. Some of the amendments that were not supported by the government are amendments that were not supported because they are in fact in principle recognized in the legislation already.

I think, for example, of the provision that asked for a mandatory 30–day amnesty period. I appreciate the spirit behind that and I support it. I simply think that the bill does provide now through its blanket amnesty provision for new types of firearms that are declared prohibited weapons. The concern was that people not become instant criminals. It does provide the ability to create an amnesty. I am concerned that in fact in some cases 30 days may not be long enough. What it does is it enables the government to bring forward a set of regulations with respect to each prohibition that is properly tailored to the circumstances. The spirit I think is a good one. I accept it as I accept the spirit behind the proposed amendment to create mandatory prohibition orders for certain kinds of drug offences.

Where we differ, we being the government and members of the Liberal Party who supported that amendment, was in our concern that there would still be some discretion left in the court because that provision covers a huge array of offences. What our proposal does is require the court once again to consider prohibition orders.

One must look, for example, at a situation in the north, in Yukon, when an aboriginal person who relies on hunting is convicted of a charge of trafficking in a very small quantity of marijuana. I am not suggesting that is not a serious offence, but perhaps it is not an offence that would justify a mandatory 10–year prohibition order in those circumstances.

Where we differ is simply that we on this side of the House would believe that the judge should have some discretion, but we do agree very strongly that prohibition orders respecting firearms must be seen as part and parcel of the disposition and sentencing procedures that the courts enter into in dealing with these offences. They

must see the link between certain kinds of crime and the possible danger to be presented by firearms in that particular set of circumstances.

[*Translation*]

Many witnesses told the special committee of the seriousness of the problem of domestic violence in Canada. Members heard about the disturbing frequency of domestic homicides. They also heard that firearms are the single most common weapon used in those homicides. I was pleased to see that witnesses and committee members agreed that this proposal is a major step towards addressing the problem of firearms in domestic violence situations.

The presence of firearms in such situations is truly frightening. Our law should go as far as it can to empower and encourage those involved in the system to remove them whenever possible.

[*English*]

The development of this legislation has been a long process. It has been necessary to take the time to allow everyone to express his or her views. The interest and concerns have been carefully weighed in the development of fair and effective legislation. The process is nearly completed and it has proven to be a very productive process indeed.

During the committee hearings we have come to see the ways in which firearms and gun control affect us all. We have come to see that many Canadians have legitimate, reasonable and prudent uses for firearms and that they share the concerns about public safety expressed by all Canadians. We have come to see that firearms are not just an issue for sportsmen and enthusiasts but for our public health community as well. We have heard from doctors, lawyers, educators and firearms owners.

The process has at times been divisive but I am convinced that the end product has been the development of a consensus on many issues.

[*Translation*]

During the hearing process, the witnesses have educated on the issue of firearms not only the members who heard their testimony, but each one of us as well.

I think that this is something that those who participated in the process can be proud of and that all Canadians can be grateful for.

[*English*]

I would like to take this opportunity to express their gratitude along with my own. The contribution of the committee members and witnesses has proven a victory for the democratic process. It has resulted in better gun control legislation for everyone.

No one expects this or any other legislation to put an end to violence in society. That requires a much more concerted effort and one to which I think all members of this House are devoted and actively seek mechanisms to ameliorate and to resolve.

On the other hand we must give to the police, customs officers and the courts the tools that they need to do their jobs. Sometimes people say to me: "Well, you know, what is the point of having this legislation? People steal firearms and are going to break the law." That would be a justification simply for shredding the Criminal Code and saying: "We give up." It is very important that those who seek to secure our safety in society have the tools they need so that when we talk about law enforcement we have not undermined that ability by not providing our policemen, courts and customs officers with the statutory authority they need to act.

More importantly I believe that we must make a clear statement about the firearms culture in this country. I think it is important to underline the fact that we are unique. I had a discussion recently with the Home Secretary in Great Britain. In Great Britain firearms ownership is an upper class phenomenon. Hunting is the activity or the hobby of the rich. Similarly, the United States has a very different history from us. Their frontier was not opened up as our was in the presence of law and order and in the presence of the Northwest Mounted Police, later the Royal Canadian Mounted Police. Theirs was opened up with a very much wilder and less constrained approach to resolving disputes that has created a different firearms culture.

Canada has its own firearms culture. It is one where many responsible, law-abiding Canadians own firearms, use them to hunt and for sporting activities. In fact this is a very important part of our cultural tradition. At the same time we also have a culture that is non-violent, that is concerned about public safety and respect for public security. Our culture believes it is appropriate to impose on those who own firearms a reasonable and well thought out legislated scheme to ensure public safety, to ask those people who have the privilege of owning firearms to respond to society's concern that these

firearms not be misused and that they be handled with care.

I believe that a very important role this legislation plays is to re-assert the uniquely Canadian cultural values with respect to firearms. Firearms are a part of our social activity but we also have very high expectations of those who possess them in terms of guaranteeing the security of all. As we become a more urbanized society we become more sensitive to questions of violence. As our own consciousness rises we want to ensure that we have in the system by which we govern ourselves, our collective aspirations, a system that can reflect that culture adequately.

I believe Canadians deserve effective gun control legislation and I would urge all members of this House to support this bill.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I want to thank the minister for her statement and her support of this legislation. I think the minister has fought hard for this legislation and I want her to know that members on this side of the House appreciate the fight that she has carried on in her government. It really indicates that here in Canada we are a very thoughtful people.

• (1710)

We are proud of our traditions, and we are very conscious of our heritage. The minister has made reference to the distinctive nature of Canada as opposed to Britain and the United States.

Our culture is not dependent on firearms the way it is south of the border. Without being demeaning to our American friends, I find it very much of a concern, frankly, the attitude that they have. A lot of it, of course, is based upon the fact that in the American Constitution the right to bear arms is enshrined.

That being said, I find it very alarming that the day after the tragedy in Killeen, Texas, the U.S. Congress voted 247 to 177 to defeat a gun control measure. The only one changing his vote was the member who represented the Killeen, Texas area.

To me, that is much of a concern. I know the minister has to go, but before she does, I want to say to her that bearing this in mind, I hope that she will support the initiatives of the police at all levels, the provincial, the municipal and the federal police forces to work together and to have an integrated committee whereby they can plan and work toward the guardian against the importation of illegal firearms into this country.

I would hope the government would give support, be it financial or just moral support, to these police forces to allow them to continue to do this.

As the minister knows, and as the members, the parliamentary secretary and the member for Cariboo—Chilcotin know we have heard that there is this importation of illegal firearms in the country. We have to do, as members of Parliament and responsible people, what we can.

Certainly they are going to come in regardless of how many precautions. There is only a reasonable amount you can spend toward that, but I would hope that the government would do its best efforts in that regard.

I was also alarmed in the fact that three days after this tragedy in Texas that a reporter was able to go into a store in Houston, Texas and buy a Glock 17 in 40 minutes, never having had a FAC or any comparable certificate. This includes having to go back a second time to buy the ammunition because the store's policy was that it would not sell the firearm and the ammunition at the same time.

The journalist had to buy the firearm, go out to the car, leave the firearm, go back in and buy the ammunition.

I think it is vital that we in Canada appreciate the fact that we have first of all a citizens' base in this country that is prepared to think on this question, to think about the fact the privilege of using firearms is just that, a privilege in Canada, and one which is very well adhered to by the firearms community. Also, we should appreciate the fact that we have not had the proliferation of firearms in this country.

I look to the recent ad put forward by the National Rifle Association. It advocates that the best way for a woman to protect herself is to carry a hand gun in her purse, or to keep one at home.

That, of course, is a proliferation of the use of firearms. Once that starts, how is that going to be controlled?

If the United States said today: "How are we going to control firearms? How would we roll it back?". it would be an extremely difficult thing to do. You have the attitude there now that you need firearms to be able to protect yourself.

If someone was to be asked to give up their firearms, the first question would be: "How am I going to protect myself with all those other firearms out there?" We could, in this country, get into that position.

Hopefully that will never happen. This bill is not a real strong gun control bill. It is a reasonable piece of legislation, but it is not really strict, strong gun control. I think those who say it are trying to alarm the Canadian public to an unreasonable degree. I wonder whether any kind of gun control would please some of these groups and some of these individuals and whether they are not just trying to say: "Look, we have this menace, we have this red menace at our door. The government is trying to disarm us and we have to fight back". It has been a heck of a good membership drive for a few of these organizations. I know of some that have lobbied on behalf of the pro-firearms groups and their memberships have gone up substantially. They were able to convince a great many firearms owners in this country that there was this threat. Their houses were going to be broken into and their firearms would be seized. I think that is irresponsible and counterproductive. I think it also very important that the people of Canada realize this is the sort of argument and propaganda that has gone on.

What we are doing in this legislation as far as the prohibition of firearms is concerned is to merely prohibit semi-automatic firearms that could be converted to the automatic mode. That is simply it. Automatic rifles are already prohibited. It creates the National Advisory Council which I will come to later. It will look at all military and paramilitary firearms to determine which ones are suitable for hunting and have an actual purpose.

Some automatics and semi-automatics are merely imitations and copies of already prohibited weapons and are convertible to fully automatic mode. They too will be prohibited.

Where I ask is the loss in that? They are not even good hunting rifles. If you are hunting deer you want to shoot the deer, you do not want to cut it in half. The fact of the matter is that they are not as accurate as some very well made semi-automatics that are perfectly suitable and in fact desirable for hunting, which it is not the intention of this bill to touch in any way.

Most of the rifles in this country are not even registered or restricted. We do not even know the people who have them. It is not the intention of this bill to restrict those firearms.

This legislation will also restrict clip sizes. We are saying that in handguns the maximum clip size will be 10 and the maximum for a rifle will be five. That does not seem to cause a great deal of hardship to most hunters.

I have a lot of hunters in my riding. Most of them feel that is adequate and that a good hunter will not need to use any more than five in a rifle. There again we have made exceptions. We have looked to the possibilities that can occur.

This country has taken pride in the success of our competitive shooters in international competition. We have said that those involved in competitive shooting are exempt from this. They can have magazines with more than 10 rounds so that they will not be hurt in international competition.

We are not really insensitive to the exceptions that can occur. I believe the exceptions have been taken into consideration.

We also say that we want to have a firearms acquisition certificate to buy firearms. That of course is a common sense arrangement I would say. Before you actually acquire an FAC you have to go through a 28-day waiting period so that your application can be checked. There can be substantial checks made with those who the authorities feel would have pertinent knowledge about your ability and desirability to have a firearm. In effect a community check is done and I think that is suitable.

We are also advocating that before a person is granted an FAC he must pass a training course. All groups agree that it is desirable for those who own firearms and henceforth purchase firearms to complete a training program. The question of course is when will this training program be brought into existence? The training programs are under provincial jurisdiction and their actual implementation requires the federal government and the provinces to enter into an agreement. I want to say to the federal government that we see this as being very important.

• (1720)

Even though the amendment put forward by the member for Kenora—Rainy River was ruled out of order we hope that indicates the seriousness of this party in assuring that these training programs are put into place. We will be monitoring this and demanding that this be done as soon as possible if in fact it is not done.

We have also said that there has to be a photo on the FAC. Those who are going to renew a firearms acquisition certificate do not have to go through this waiting period. However they have to get an updated photo. They must have a security check and they have to be there to pick up the FAC in person.

Some say: "I have had a firearm for years. Why should I go through this training program? Why should I have to wait for 28 days? I am being treated unfairly. I am being treated as a person who has never had any experience in firearms and I think that is unfair". I would say to all members and to everyone frankly that there is a very obvious way around this. That is to get people to qualify for an FAC right now under the circumstances that exist before this bill comes into effect and this new program comes into effect.

If that is a concern anyone who knows that this bill is going to be providing these new requirements for an FAC and does not take advantage of it has no one to blame but themselves. We must have stricter FAC requirements and we have to ensure that these measures are enforced.

I know we have to start somewhere. Allowing those who do not have an FAC now to qualify before this bill and this program come into effect is being more than generous.

Those who have prohibited weapons do not have to give them up. If they want to keep them they must qualify as a genuine gun collector and therefore must have some knowledge of firearms. They have to show some responsibility in having adequate security provisions and must keep a log of their firearms. They have to allow someone to periodically come into their home or wherever they are storing their firearms and make an inspection to ensure that this storage is suitable.

That is not asking too much. That visit would be once a year at the most. With the work that the registrars will have to do they may be fortunate to visit each person every two years, although that is an excessively long period of time between visits. The fact of the matter is that the definition of a genuine gun collector is very broad. Perhaps it is too broad if anything.

What we have to do is ensure that this is effective. We have to ensure that the genuine gun collector is not somebody who just stores his prohibited weapon in the corner. We say there is a prohibition against these firearms and we mean there should be a prohibition against these firearms.

The fact of the matter is that there should be these safeguards. The advisory council will be looking into a lot of these questions and tightening the restrictions. One question which is of vital importance is that of safe storage. Safe storage is going to be tremendously important if we are to reduce the number of deaths from firearms.

In 1988 there were 1,400 deaths from firearms in this country. Eleven hundred were suicides. In the United States there were 34,000 deaths from firearms during that same year. We had 1,400, they had 34,000.

A lot of theirs were accidental deaths. The reason they had the accidental deaths was because the firearms were available. If somebody is morose and feels despondent and there is a firearm in the corner or in a closet that is not locked, with ammunition in it, it so easy on the spur of the moment to use that firearm to end one's life.

We are saying that there has to be a deterrent. The 28–day waiting period will be a deterrent. If someone does not have a firearm and needs one, they have to get an FAC, they have to go through the training course, and the 28–day period. For those who have firearms at home we are saying that there has to be a degree of safe storage. Not all of them are going to be genuine gun collectors protected by alarm systems and elaborate safety mechanisms. There are rifles that we do not even

know exist. They are there. We are saying that at the very least there should be precautions such as the storage of ammunition and perhaps the bolt from the rifle stored separately from the firearm itself.

We are also suggesting that trigger locks be placed on the firearm. This means that there will be a deterrent, the person who wants to use that firearm to shoot themselves would have to go through the motions of getting the ammunition and the bolt or getting the key to unlock the trigger lock. These are deterrents because it gives people time to think.

There are those who will say that it is not important. It is not important because you cannot enforce them. No, we are not going to send law enforcement officers into people's homes to check storage. That would be an invasion of privacy. That would be unreasonable. We are depending on people to obey the law and I think most people will. However, should someone use their firearm to commit suicide or to commit an assault on another person then their storage will be examined by the enforcing officers and charges could be laid against them at that particular time. You run that risk if you are going to disobey any safe storage laws that are going to be put in this bill.

It is vital for the purposes of discouraging violence against women. In this country today 65 per cent of all murders or all deaths are a result—I see the member from Montreal is taking this all very seriously. He is playing cowboys and Indians in the aisle on the government side. It is a disgrace.

Sixty-five per cent of the deaths resulting from the use of firearms are as a result of crimes of passion and not of criminal acts involving robbery or the murder of people they have never met before.

In this country 30 per cent of the victims of firearms are women but only 5 per cent of the users are women. It is no wonder that women in this country are very concerned about whether this gun control legislation will succeed in this House. I think they have every reason to be concerned. With the increase in crime in Canada there are a lot of women who are concerned about just walking home from the bus stops in the evening. We have to be able to give them some assurance that this House and this Parliament is concerned about the safety concerns they have.

I am very disappointed that the government did not see fit to approve the amendments that were presented and voted upon here today. The minister referred to the period of one month suggested by the member for Cape Breton Highlands—Canso upon the implementation of the bill to allow people a month to abide by the bill.

The minister says there will be an amnesty for a period of time, but we do not know how long that period of time is going to be. It is important for people who want to abide by this bill to know exactly where they stand in a definitive way, and not a very subjective period of time to be applied by the courts or subsequently by regulation. I think it should be in the act itself.

• (1730)

We likewise had an amendment suggested by the member for Haldimand—Norfolk. He suggested that not one month but three months was a reasonable period of time. I think two months is a reasonable period of time. We have to be able to allow people to know where they stand and what terms of reference they have to abide by this legislation.

It is also important that we be mindful. The government is putting through a lot of justice legislation this week because it is crime prevention week and it wants the public to believe that it is completely obsessed with doing something to increase safety in our communities. I take a rather jaundiced view of this. I am not convinced. While I do approve of this legislation some of the other legislation leaves something to be desired.

I think the government would admit that there is a major problem in our communities, particularly with respect to the use of drugs. The motions put forward by this party relate to the mandatory prohibition on the use of firearms. Right now Bill C-17 says that if a person is convicted of a crime involving violence that has a maximum penalty of 10 years or more they are prohibited from using a firearm for 10 years on the first offence and life on the second offence.

We are saying that anybody who is convicted of an indictable offence involving violence should be prohibited from using that firearm for 10 years on the first offence and for life on the second offence. We are also saying that these penalties should also be applicable to those who are convicted of indictable offences under the

Food and Drugs Act and the Narcotics Act. This would mean that somebody who is trafficking in narcotics, is in possession of narcotics for the purposes of trafficking, or is importing or exporting narcotics should be prohibited from using a firearm.

This is not an unreasonable request. Certainly you could say that some people might get into fisticuffs and would be charged with an indictable offence. I do not know about other areas but in my area fisticuffs results in a summary conviction which would leave the discretionary prohibition with the judge.

We have to do something to control drug related crime in our communities. We have to be able to say to people: "Look, if you are going to commit an indictable offence under the Food and Drugs Act and the Narcotics Act you are going to lose the right to use a firearm for 10 years on the first instance and life on the second". At the very least, we may prohibit those who are involved in or hooked on narcotics from using a firearm in the commission of a second offence while trying to raise money to feed their habit.

We have to do something. We cannot just sit back and allow this increase in crime to continue in our municipalities. These are two important amendments. They are related amendments and they deal with these issues. It is important to leave discretion with our judges but there comes a time in certain incidences when we want to send a message. We are losing the war against drugs in our municipalities and we have to acknowledge that. We cannot be blasé. We have to admit that we are fighting a catch-up battle in this regard.

I am disappointed they were not accepted. I am prepared to remind the government that it turned this down on occasions when crimes are committed for drugs. These situations certainly could have been prevented, or at least dealt with responsibly, if these amendments had been brought forward. I might say that I will be a very bitter person if what happens is what I think is going to happen, and that is that drug related crime is going to increase and this Parliament has not put forward provisions necessary to deal with this.

The minister is from Vancouver. She mentioned that it was an entry point for drugs. Yet, this is not being accepted. I think it is unfortunate.

I do feel also that there are a lot of hand guns out there, albeit they are restricted and as such are registered. These registration certificates that are given to the owners of hand guns are good for life. I think that is a long period of time to give anyone a *carte blanche* right to have a hand gun, particularly since most of the crimes involving firearms are committed with hand guns. Therefore, I think it would have been wise for the government to have accepted a five-year limit on each registration certificate on a restricted weapon.

I do not want to go on too long because there are a lot of members here who want to speak. I see the member for Don Valley North. I want to thank her for her support and the member for Lethbridge who is chairman of the committee as well, and who did a marvellous job in Legislative Committee H on this.

I would be wrong if I did not also thank the critic for the NDP and the member for the Bloc Quebecois and others, particularly my two colleagues who worked with me in the legislative committee, the members for Stormont—Dundas and Bonavista—Trinity—Conception.

I know there are a lot whom I forgot to mention. This is a determination. Once again I see my friend from Cariboo—Chilcotin who represents, as I do, a constituency where there are a lot of gun owners. He worked extremely hard. I saw an awful lot of that hon. member in the last year working on these various committees. I developed a respect for him and many members in this House for their sincerity of not necessarily agreeing on every point of view, but wanting to bring together the points of view, the disparate points of view to develop a piece of legislation that would be a very important piece of legislation for this country and one which would bring us further in the area of gun control.

This is not everything everybody wanted. It is a lot farther than a lot of members wanted to go. Certainly there are lot of members in the public who feel that we did not go far enough.

I would like to say that it is a very meaningful piece of legislation and when you compare the inaction of our friends south of the border for whom we have a great

deal of respect, but we cannot really understand their position on this very question, I believe we are continuing to move forward.

The fact is we in Canada are saying the citizens are going to control this country, that firearms are not going to dictate the way of life to the Canadian public. We in Parliament are taking a position that Canadians are going to be in charge of their country, not firearms, and they are not going to be held ransom by firearms are we are not going to allow pressure groups to dictate that we take measures that are going to be counterproductive to our own well-being.

I want to thank everyone in the House and members of my party for the support they have given me, even though they may not have completely agreed with my point of view. I believe we have a very worth-while piece of legislation here and I hope it will be supported.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, we have waited a long time for this bill on gun control. It just passed into third reading a few hours ago in the House of Commons, overwhelmingly. It will pass tomorrow at ten o'clock to the Senate and then soon into legislation.

I just want to say that while we have passed the bill, the struggle for effective gun control in Canada has just really begin. It has just begun with this bill. There are a number of other issues that surfaced during our many hearings that we are going to have to face as a country and as a people. I say it has just begun with this bill because most of the bill, the guts of the bill, will be in the regulations. As hon. members know they will be passed later by the government through regulations, not here in the bill as specific law. The bill authorizes the regulations but the regulations are not in the bill and we have not seen the regulations.

• (1740)

For example, there is the size of magazines that will be permitted. The minister said 10 bullets for hand guns and five for rifles. We are going to have to wait to see that, and we are going to have to wait to see about the safe storage provisions of the bill. We are going to have to wait to see which, if any, military or paramilitary weapons will be prohibited.

I say to the various groups and the various people who worked for effective gun control that you have to keep the pressure on. We have to make sure that these regulations are drafted. We have to make sure they are not delayed. I am going to speak about those procedures later in my speech.

Let me say right off the top that this bill is a very modest bill, indeed a very modest bill. For example, the bill fails to clamp down on the possession of some 50,000 converted semi-automatic guns in Canada, many illegal, which, if obtained by criminals, can be changed back to automatic guns.

Even if we pass this bill tomorrow, as we will, Canadians will still be free to buy bullets without even having been approved or authorized to own a gun. More disturbing still, we have evidence from metropolitan Toronto police, and I will come back to this later in my speech, that there are some 50,000 registered hand guns in metro Toronto alone, not counting another 17,000 that belong to police security firms and gun club members, and this number is growing in spite of the fact they are restricted. This legislation of course does not deal with that at all.

Let me start by taking a little bit of a different tack for members in the House. I would ask members to listen to this article that was in *The New York Times* last week:

> They had been the closest of friends, their classmates said, two boys in their mid-teens who were always in and out of each other's homes in the Bay Ridge area of Brooklyn. Then, on Friday night, before a crowd of friends and neighbours, the younger of the two, 14 years old, shot and killed his friend after the 15-year old had accused him of breaking into his home.
>
> The 14-year-old suspect, John Dalton, known as "J.P.," had told friends shortly before the shooting that he had been looking for a gun because he was afraid that his friend, Michael Sharib, was gunning for him, a mutual friend said yesterday. "J.P. came to my house," said the friend, who declined to be named. "He was scared. He goes, 'You know, Mike's shaking me up a little. He threatened me with a gun. I want to get a gun before he gets me.' So J.P. got a gun, I guess, before Mike did".
>
> The shooting occurred about 10:30 p.m. as the two teenagers argued on the street in front of 6914 8th Avenue, where Mr. Dalton lived with his mother, brother and stepfather.
>
> As other friends and neighbours looked on, the police said, Mr. Dalton pulled out a .25-caliber semi-automatic Raven and fired at least four shots, striking his victim twice, in the chest and shoulder.

> The victim, Mr. Sharib, 15, of 715 Bay Ridge Avenue, was pronounced dead at Victory Memorial Hospital at 11:15 p.m. Mr. Dalton was arrested and charged with second-degree murder and criminal possession of a dangerous weapon.

One of the neighbours, the victim's aunt, Linda Sharib, said:

> "He was just a baby. I don't understand the violence today between children. They shoot to kill; they don't shoot to hurt."

That is a little story from Brooklyn. It is not Canada, but it is a little glimpse perhaps into the future of what may be Canada. Canada we think of as being different.

Unlike the Americans, the Canadian frontier was not opened with a gun. When Europeans went to the Canadian west, as well as the north, guns were checked with the RCMP, even at Dawson City. I spoke to Pierre Berton about this and asked him about guns. He told me that in Dawson City in Yukon at the height of the gold rush when you came across that border you checked your guns.

Even the police were under orders not to draw their weapons unless it was absolutely necessary. It was different in Canada.

You should see and hear some of the evidence we got before our committee. Listen to this. This is evidence presented before the committee. The member for Cariboo—Chilcotin was there and he will remember this.

Mr. John Bickerstaff said this: "Thank you for the opportunity to address you. Firearms storage and gun control came into my life and the lives of my family very recently. Although I am a gun owner I do not represent myself to be a gun expert. I am here to address you because I have first hand knowledge in dealing with the consequences of poor gun control. I have also had the opportunity to give the matter of safe gun storage a great deal of thought.

On August 13, 1991 my 18 year old son Lee was accidentally shot to death. He and five teenage friends were amusing themselves in the home of a deputy commissioner of the Ontario Provincial Police by playing with a service revolver.

The restraints on the gun if present were removed. A bullet was put in it and shortly thereafter Lee was dead. Criminal charges were brought against the son of an OPP officer and the families of those involved will never be the same again."

That was the evidence we got in front of our committee.

The aim of gun control is not to affect the hunters and the sports shooters. It is first of all aimed at criminals. It is also aimed at people who do not store guns safely, who do not look after their guns, whose teenager grabs the gun in a fit of depression and commits suicide. We heard evidence after evidence and witness after witness about this matter. There were 1,100 cases of that type in Canada last year alone. This is what gun control is aimed at.

We are trying to stop the Marc Lepines of the world, people who are deranged or unfit to have a gun. We are trying to implement some screening process. That is why this legislation asks for two witnesses and a photograph before issuing a firearms acquisition certificate. There is this need in Canada for gun control.

I want to deal with a number of matters. People have said: "Gun control does not work". The fact is that it does. It saves lives. It is a public health and safety issue in Canada.

They say that this bill is unfair, ineffective and an infringement on their sporting rights. It seems to me that this is a very modest provision in the law and I will come back to this.

People say the problem lies with criminals using illegal guns but as I said, 1,400 Canadians die each year from gun wounds. Over 60 per cent are killed with rifles and shotguns. A great number of them are legally owned. We are talking about 100 murder cases.

It is said that one-third of Canadian voters own guns so they better listen. In fact about 2.2 million Canadians own guns and few of these people will be adversely affected by this legislation. Canadians by and large support greater gun control.

We need to look at further measures. We need to register in this country rifles and shotguns so we know where they are, so we know what happens when they are stolen. That is possible to do. Why can we not do it? We need some controls on the sale of ammunition. Why can we not do that?

Legitimate owners, hunters and shooters need not be concerned about that. This would be a good regime. We need real courses in how to use a gun. We should consult

some of the gun people in the sporting clubs who could help the government on that matter.

Where are these courses? They were supposed to be here in 1978 but they are not here. The feds and this minister and her provincial counterparts better get their act together and get these courses going.

We should ban military assault weapons. There is no animal in the Canadian woods that you need a military assault weapon to kill. Canadian Eskimos, the Inuit, used to kill polar bears with bows and arrows and spears. Why do we need these kinds of guns? A good hunter will ask you this. These bans and so on are not in the bill.

• (1750)

I want to address just briefly the concerns of some of the gun clubs and rural Canadians. We tried to approach the bill to address some of these concerns as the member for Cape Breton—The Sydneys said. I will give you some examples of what we tried to do in the committee to address these concerns. We tried to get in a really good, safe handling of firearms course. We tried to show some flexibility so that if you were way up in the north the firearms officer would use his discretion to certify competence without a course or a test. We built in some flexibility for rural and northern areas.

We allowed Parliament to review the provisions of some of these regulations on magazine size and so on. If the bureaucracy got out of line parliamentarians could put them back into line.

Every firearms groups called for tougher penalties. My own group, the Port Coquitlam Hunting and Fishing Club called for tougher penalties for criminals. We put tougher penalties in the bill and Liberal and NDP amendments would have put even tougher penalties in the bill if the government would have accepted that.

We tried to clarify the regulations. One of the concerns was what the minister would put in. The people in my area were concerned with the Lee-Enfield weapon. Would that be prohibited? The government said no it would not be and people would still be able to possess it. We clarified that and we put that in the bill.

People who had firearm acquisition certificates had to renew them. We reduced the fee from $50 to $25. Is $25 really that much? It used to be $10 in 1978. We have had inflation since then. Hunters are paying $30,000 for a car or for a truck. They have to put licence plates on the truck and so on. Is it really too much to pay $25?

We allowed FACs to be renewed with an easier procedure for people who have them and there are one million who have them. We tried to deal with all that in the committee.

It seems to me and I said this to the gun club the other day when I spoke in Port Coquitlam: "You have nothing to fear from this bill". After we discussed it they agreed they had nothing to fear from this bill.

I want to conclude by looking at the future. What have we got to address? What are some of the matters that came out of the committee that we have to be concerned with? I do not want to repeat some of the things that were said by my hon. colleague who has gone over the bill. I will tell you one thing that really concerns me. I do not think the Minister of Justice understands this. Mr. Speaker, I wonder if the members who are speaking would speak outside. It would be helpful to me.

The Acting Speaker (Mr. Paproski): The hon. member does have the floor. If we could have a little more attention I would appreciate it. The hon. member for Port Moody—Coquitlam has the floor and I would like to listen to his speech too if I may.

Mr. Waddell: Mr. Speaker, I am trying to deal with this matter. It is a technical one and came up in the course of our hearings. I think the House should be concerned about it. It is this. There is nothing in the bill that addresses the growing proliferation of handguns in our cities. The hon. member touched on this.

I proposed an amendment as suggested by numerous groups to limit the duration of a registration certificate for a restricted weapon, and that is basically a handgun, from a lifetime to five years. At least you would have to renew this certificate. That was rejected by the government.

What are restricted weapons? They are handguns, semi-automatic firearms with shorter barrels, automatic weapons grandfathered before 1977 and weapons declared by cabinet order to be restricted weapons. By far

the largest group is handguns. How many handgun certificates were given out?

The minister says: "Well, we do not have to worry because these are already restricted". However we received two disturbing pieces of evidence. One was from the customs people. They said that guns are flowing across the border and they cannot stop them. The second disturbing piece of evidence came from the police, like the metropolitan Toronto Police and other police forces. They are saying: "We are getting more and more applications, legal applications, for restricted weapons, namely handguns". There were 33,000 in 1986, 37,000 in 1987 and 46,000 in 1990. Metro police said that figure is growing by three times this year.

Who can get one of these handguns? You can get one if you say it is for the protection of your life, if you say it is for use in your lawful occupation, if it is for use in target practice, or if you are a genuine gun collector.

You can buy a "dirty Harry" gun in Toronto now, a magnum. You can say you are a gun collector, or you say you need it for your own protection and you can get a restriction. That is really going on. We are going to need new legislation to deal with this or we are going to need tougher laws to deal with this. What we are seeing in our cities is absolutely shocking.

Now I want to get back to the original story I told about the kid in Brooklyn and how Canada is different. We have to protect ourselves from becoming a gun culture. Once it gets into the minds of Canadians, especially in the big cities—and I say this to some of the rural people who have had some concerns—that they need a gun to protect themselves they are going to go out and apply to get legal guns. They are also going to get illegal guns to protect themselves. The general population, not just the criminals, is going to start turning Canada into a gun culture like the United States. They are going to have a gun to protect themselves, to settle an argument and so on. This is my great concern.

I want to also touch on something my colleague from Cape Breton said and it is that gun control is a woman's issue. Women by and large are proportionately the victims of guns. We had to fight this in committee and we eventually came to understand that this was a real problem.

[*Translation*]

The massacre at the Ecole Polytechnique put the issue of firearms and violence against women at the forefront. This issue is far from new to Canadians. Sixty per cent of all murder victims are killed in a family setting. Most of the time, their attacker used a gun or rifle.

[*English*]

We have a lot of evidence, especially from the province of Quebec, that women were affected, specifically in family violence. This is in fact a real concern.

We have to thank—and I see the member here and I think he would agree with me—not only the politicians who did work but a group of people led by Miss Wendy Cukier. She took time out from her job and tried to organize, with very little money, Canadians across the country. She was joined as well by Ms. Heidi Rathjen, who went to great lengths to fight for effective gun control.

The member for Cariboo—Chilcotin entered into a dialogue with them, and it was really something to watch. He invited them to his constituency and so on. Today when the Constitution committee is having so many problems and the country seems to be falling apart, the people in Montreal who were especially affected by the massacre—we were all affected by the massacre at l'Ecole Polytechnique—were out talking to the people in Toronto, in Vancouver and in Cariboo—Chilcotin. Something wonderful was happening.

• (1800)

Canadians were all talking to each other and they were sharing something in common. Mr. Speaker, if you give me a chance I will end by saying that Canadians generally want effective gun control. This bill is the first step. The struggle goes on. We have a lot to do. I do not think that legitimate hunters and shooters have been injured by this bill at all and I think we can live with the bill. We should all work together in the future again to get more effective gun control and make Canada different and unique, as one of the most prosperous and most humanitarian, tolerant and safest countries in the world.

The Acting Speaker (Mr. Paproski): Before I go into questions and comments the hon. the parliamentary secretary to the government House leader has a point of order.

* * *

BUSINESS OF THE HOUSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there have been discussions among the various members of the House and this is a motion regarding private members' hour. Essentially the result of the motion will be that Private Members' Business would be cancelled for this evening. I think that will create time for this debate.

I ask unanimous consent for this motion:

That, notwithstanding any Standing Orders and usual practices of this House, that item No. 1, Bill C-269, and item No. 2, Motion No. 47, and the Order of Precedence for Private Members' Business be reversed and that Motion No. 47 be dropped to the bottom of the Order of Precedence.

The Acting Speaker (Mr. Paproski): Members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Motion agreed to.

* * *

CRIMINAL CODE

MEASURE TO AMEND

The House resumed consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, be read the third time and passed.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I would like to thank my friend from Port Moody—Coquitlam for the very good work he did on the committee and for the help he has been to all members in bringing forward this legislation.

I know he feels that he had some very good amendments that were not accepted. It is unfortunate but certainly he did everything he possibly could. I certainly join with him in paying tribute to those two ladies who, along with Mrs. Suzanne Laplante-Edward, worked tirelessly on behalf of gun control. They did a marvellous job and are to be commended. I do not know where we would be had they not made the effort they did.

On his visit to the gun club in Coquitlam he was able to see that once properly told about the provisions of the legislation the members were agreeable a lot that was in the legislation.

I wonder if he feels that a lot of the objection to the legislation is because many gun owners have not been told exactly what is in this bill or had the bill properly explained to them. They are getting this information from various groups.

Mr. Waddell: Mr. Speaker, I think the hon. member is right. I tried to lay out what the bill did. I did not hide my feelings. I am for strong gun control and I said that. The members were asking questions and they voiced their concerns.

As MPs we have an obligation in the future to gun clubs and hunters and so on to make them well aware of the regulations. There is a provision in this bill to get them referred to a committee. I wonder if that is a mechanism for delay but I am open and we will see how it works. We are going to see how it works. They say no. I think we have an obligation to make it work. We have to take the regulations and show the gun club people and take their concerns to the Firearms Advisory Board being set up to advise the minister or bring it to the appropriate House of Commons committee when the regulations come down. I think that is really important.

The member did pay tribute to numerous people. He added the name of Mrs. Edward. What can I say? I think we are all aware that Mrs. Edward appeared, with great courage. When we dealt with her there was a certain moral authority she has in this issue. We were all affected by that and it influenced all of us in dealing with the bill.

I would like to say again how courageous Mrs. Edward has been to come back from what must have been a horrible time after the death of her daughter in Montreal at l'Ecole Polytechnique de Montreal and work with the committees in the House of Commons and with the members. She was here this week. I think she is still here today and tomorrow. I know she will not give up until we get a bill. She would like a stronger bill, but at least we are going to get a bill and she has had a lot to do with that.

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I am not an expert, but I think that for all practical purposes, firearms should not exist. In the United States and in many other countries where they are allowed, firearms simply generate violence. When it comes down to it, I am

not in favour of abolishing firearms in this country first thing tomorrow morning. However, if we look at what is happening, especially in our big cities, if we look at what has been happening in Montreal in recent years, we see that violence is increasing. We also see reople involved in the drug trade using weapons for all kinds of reasons. In Montreal, armed robbery is the rule, and I am thinking of convenience stores and gas stations.

There has been an increase in armed robbery in all kinds of small businesses, and since the police can't be everywhere at once, owners of small shops decide to take justice into their own hands. In Montreal a few weeks ago, the owner of a jewelry store on Saint-Hubert was killed by a robber because he tried to resist.

If we give people too much freedom to possess firearms, violence will increase. I don't think firearms serve any purpose. I don't have guns, my wife and children don't either, and we can live quite happily without. If people were not entitled to possess firearms, policemen would not need them, no one would need them, and we could get along quite well without.

I am not saying we should go as far as that first thing tomorrow morning, but it should be one of our goals, so that some day there will be no more firearms except to defend our borders, for national defence and for special brigades in exceptional circumstances. Otherwise, I think firearms should not even exist in our society.

[*English*]

Mr. Speaker: I believe that was just a comment. Are there further questions or comments? Does the hon. member want to reply?

[*Translation*]

Mr. Waddell: Mr. Speaker, I listened to the short speech by the hon. member for Quebec, and I would like to tell him there is still a difference between Canada and the United States. Canada is far less violent than the United States. As I said earlier, we heard from a number of mayors, including the mayors of Montreal, Lennoxville, Vancouver, Edmonton, Hamilton, Winnipeg, Regina, Burnaby, Nepean and Ottawa in fact, from all over the country. These mayors favour stricter gun controls, and I agree, We have firearms in this country, but as I said earlier in my speech, we had to build Canada, francophones and anglophones together, without firearms. That is why we live in a country that is less violent than other countries, and I hope we will be able to keep it that way.

• (1810)

[*English*]

Ms. Barbara Greene (Don Valley North): Mr. Speaker, I am pleased to be able to participate in the debate this evening.

This week we are seeing a number of pieces of legislation in which my constituents have certainly had a very strong interest. The amendments to the Corrections Act, the Young Offenders Act, the Extradition Act and the firearm legislation are all issues of great concern to residents of my riding and of course other areas of Canada.

The firearms bill is one in which I have had a strong interest because my constituents and I believe that prevention is an important part of the package of reforms necessary to deal with crimes against the person.

I am supporting this bill not because I believe that it is perfect and cannot be improved but because I believe it is progress on this issue. The process has been a difficult one in producing this legislation. It has meant that many members of our caucus have had to compromise, including myself.

I would like therefore to thank those members of our caucus and indeed the members of the other parties who have participated, who have risen above parochial concerns and who have made an effort to understand the issue, to deal with it in a responsible way and to provide good and effective legislation in this area.

I also want to join in thanking the community and thanking Canadians for gun control, in particular Wendy Cukier, Heidi Rathjen and Suzanne Laplante-Edward who have made an enormous contribution of time and effort and indeed a personal financial contribution. I believe they have played a very key role in this issue by monitoring the committee, by going out to other Canadians and by informing members of Parliament. I think in particular of Suzanne Edward and her contribution in the calling of all the members of Parliament and the lobbying that she has done personally. In getting over her own personal tragedy, she has indeed made a tremen-

dous memorial to her daughter's death. I feel that she has made meaning out of that very tragic event.

I very firmly believe that people throughout Canada do not want a proliferation of powerful weapons capable of firing bullets in rapid succession for extended periods of time. They do want a system established which ensures that people who do own guns are competent, careful and respectful of the rights of others, and that is the issue.

Polling data overwhelmingly indicate the broad support of Canadians for stringent gun control. In my own party 72 per cent of the delegates at our convention this summer voted for stringent gun control. There is no significant split between urban and rural Canadians on this issue.

A Gallup poll sponsored by Safeguard attempted to confuse Canadians by asking them to choose between the alternative of severe penalties for criminal misuse of weapons and control over ownership. Canadians do not need to do that and have not really fallen for that at all. Canadians know that both are possible and both have been indicated as being good ideas that are supported by all Canadians. I think this week of legislation as well as this bill clearly illustrate that point.

Stricter sentencing, better enforcement of the laws and a more streamlined justice system are all important components and improvements that must be proceeded with as is clearly evident in these initiatives.

Tomorrow I am looking forward to the response of the government to the report which the subcommittee on the status of women produced entitled *The War Against Women*. There are many recommendations in that report which again address the issue of prevention of violence against women. Of course many of them also would apply to men.

There seems to be a supposition among many of the people opposed to this kind of legislation that all gun owners are legitimate gun owners simply because they have acquired their guns legitimately. I think that must be laid to rest.

In 1990, 197 or 30 per cent of the homicides committed in Canada were shootings. Some 243 or 37 per cent of the homicides that were committed by a spouse or common law partner, and 50 per cent of those were with guns. Clearly those who are committing the worst crimes in our society are not necessarily by any means—in fact farm from it—people who are illegitimate gun owners. They also have a dismal safety record as has been mentioned many times: 1,100 suicides per year and several hundred accidents. If one compares the number of deaths produced by guns in this country with the number of deaths produced by automobiles, one-third the number of deaths are caused by guns. Gun owners are a far smaller proportion of the population, probably less than 10 per cent.

My particular community has had a tremendous experience in the last while with the use of guns. It has really made us all think very carefully about the use of guns in our community. In 1987 eight of the 60 homicides involved guns. In 1990 up until September, and the number is still growing, 28 of the 68 homicides so far have involved guns. In 1987 we had 367 robberies of small business with shotguns. In 1990 that number was 1,075. My sister's bank was held up, so it hits people personally. They know people who have experienced this kind of abuse of firearms.

In 1991 the police estimate that 1,400 robberies will take place, given the current rate. These are appalling numbers that strike fear into the hearts of many people, particularly when one lives a concentrated community. I think it is perhaps one of the differences between urban and rural people. We experience crimes as if they were next door to us because of the closeness of the community.

When one looks across Canada, Toronto is one of the safest places to live. We are a way down at number 15 in terms of the homicide rates in a census of metropolitan areas. Regina and Saskatoon clearly lead. Apparently the farther west we go those homicide rates rise.

I believe that is because people are spread out. They do not realize that the per capita figures are very poor. Because we are concentrated we are much more aware of it.

I also think that there is a mentality problem. The people in metropolitan Toronto—and I say this as someone who has experienced government in metropolitan Toronto since 1972—believe in the efficacy of legislation and the efficacy of our police force. We believe very

strongly in law enforcement and in attempting to prevent problems in our society. There is a strong reliance on the educational system and a large amount of money spent on it and similarly on the police force. Our costs for policing are the highest in Canada, and I do not think anybody wants those costs cut. Many communities across Canada have similar beliefs.

I think that is one of the distinguishing characteristics between Canada and the United States. It is the belief that we can change behaviour, that we can have an effect. That is something that we recognize as very healthy in society.

We hear arguments that criminals will always be able to get guns. I do not think that is necessarily true. I believe we can limit them. Indeed right now they do not have to get illegal guns because they can go in and purchase guns themselves or they can steal them from other homes. Frequently the charge of illegal possession of a firearm is the only charge the police can make. The police want this legislation and they want even stronger legislation.

On magazine restrictions, this is an area in which there has been a great amount of compromise. I think people who oppose this legislation should feel that there has been a great attempt to accommodate the legitimate interests of hunters and of sporting enthusiasts.

Clearly the exemption around rim fire magazines is one that would allow people such as the hon. member for Crowfoot and hunters to continue to shoot rabbits and gophers as much as they would like. I know my own brother says if you shoot a deer with more than two bullets, it is not worth eating. My brother never puts more than two bullets into his gun. I think the real hunters out there are not going to be disturbed by this at all.

• (1820)

In addition there are not really serious problems with the gun club people. I agree with the comments made by the hon. member for Port Moody—Coquitlam about the proliferation of these gun clubs and my family is certainly very familiar with these.

We have made great progress with this bill. I think that many of the people who started out with the "I am all right Jack attitude" have learned and have compromised. We have come to something that I think is appropriate. I think that initial attitude has been overcome in many circumstances.

We as a society have a history and a culture of caring. We also have confidence in our law enforcement agencies and I think that Canadians care about their neighbours.

The Acting Speaker (Mr. Paproski): The hon. member for Crowfoot I know would like to say a few words. I would just like to remind the hon. member to name the hon. members by their constituency. The hon. member for Crowfoot is Mr. Malone and Mr. Waddell is the member for Port Moody—Coquitlam.

The hon. member for Crowfoot on a question or a comment.

Mr. Arnold Malone (Crowfoot): Mr. Speaker I do not have a question for the hon. member for Don Valley North but I do have a comment that I would like to pass to her and to a sector of Canada that I think needs to hear my comments.

First of all I want to compliment the hon. member for Don Valley North. I appreciated her speech. I believe that she and I have approached this issue from about as far apart as one could start. Through the parliamentary process and the party process, we have come up with a bill that is a national bill and in the interest of Canada.

She says she has compromised and has not received all that she would like to have in the bill. That is true for those who might represent a different part of Canada.

I want to say that there is another political party on the scene. Many gun owners are looking to them as a refuge. I speak of the Reform Party. Two aspects of its party policy are free votes and referenda. Anyone who thinks they would like to join the Reform Party to get what they want should note that if this issue was put to referendum most of the guns would be abolished from this country.

A referendum never looks after the minority. Referendum always gives winner take all and the majorities win. Those in western Canada had better recognize quickly that they are not the majority. On the question of a free vote in the House of Commons, my hon. member for Don Valley East and ourselves who might have held a

different opinion have come together and have worked on a long, long, hard process. We made amendments and changes, worked on it and came to a national Canadian position.

I rose because I think we exemplify a divergence of views that have come together in the interests of Canada. But put this in its first stage to a free vote and those on either end of the issue would have lost, particularly the gun owners of Canada. They should be appreciative of this system. This is the system that respected it.

I want to thank the hon. member for Don Valley North for being a part of the system that helped all of Canada, including those for which she in the original stage may not.

The Acting Speaker (Mr. Paproski): The hon. member for Don Valley North, if she would like to rebut.

Ms. Greene: Mr. Speaker, I appreciate that comment. Certainly I appreciate the spirit with which the hon. member has addressed the issue. I think it clearly shows that we are people who will compromise. We are thinking of Canada not just our own little local area.

With respect to your comments about the Reform Party, yes, I find their position on this issue to be very, very un-Canadian, as I do on many issues. I know for example in my community all they need to get is about a thousand votes because we have very small margins and that would mean that a Liberal would win in my particular area.

Quite clearly we have a lot to fear from the Reform Party. But I find that when I really talk to these people about this issue and they really understand the complexity of the issue and the importance of prevention, they realize that what we have done as a government is produce something that is worth while. It is a good piece of legislation that accommodates and meets the needs of Canadians. That is what government is all about.

It is not about selecting one particular little viewpoint that a particular group has. It is about considering and accommodating minority views and producing legislation that is Canadian in total.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Mr. Speaker, I do not think it was mentioned but we are sharing our 20-minute period in the interests of trying to get more people on the record.

Seeing as I have had the privilege or opportunity to have worked with this gun legislation for nearly a year now, I think I have said just about everything I would want to say. I think I have heard most of the things I want to hear about gun legislation.

We are all interested in seeing the results of this hopefully effective legislation. It will in fact increase the safety of Canadians from coast to coast, in rural as well as in urban areas.

It has been a very interesting experience for me. We have heard a number of people in the House today talk about the fact that although we came from different parties and diverse viewpoints when we began this debate, there has been a coming together of the people on the committee. As we came to understand the issues better and the points of view of other people, we started to find common ground. It has been fascinating.

We have watched the coalition for gun control—they have been mentioned several times, Wendy Cukier and Heidi Rathjen—and have seen them blossom if you wish. They became the focal point for the lobby groups interested in fighting for more effective gun control.

What was extremely interesting to me about these ladies and the people they represent is that they never tried to take extreme positions. They were always interested and tolerant of the points of view of others. As a result I found myself not only able to work with them, but I found them to be extremely beneficial to the process.

Although they did not tend to coalesce in the same way there were also many witnesses who came to us from the responsible gun users, people who were not used to making presentations on a national level, especially in Ottawa. Many people were very uncomfortable with it but they and their groups at local levels and at national levels did pull together their positions and did contribute significantly to the process.

I have mentioned members from the various parties who have spent so long with us and my colleague from British Columbia. I can assure you that when we started this process we did not see eye to eye on very many things. In fact when we finished the process we probably did not see eye to eye on a lot of things, but I can assure you that we do have a far better appreciation of why we believe what we do. I am actually confident that if given a

little more time we might even have the member for Port Moody—Coquitlam able to not only understand the gun users and their communities, but in fact able to probably find the common ground and compromises that are necessary.

• (1830)

In particular, I recall that late one evening in committee meetings when we were resolving some of the amendments that that member, my colleague from British Columbia, did in fact join the committee on one of my amendments. I did appreciate the fact that he took the effort to understand and to join together with us on what I consider was a major achievement to the bill.

The process ended up identifying the problems. Surprisingly, most people would agree. There was not too much difference from anybody as to the fact that the criminal use of firearms had to be and should be addressed.

There is the recognition of what I will call the "crazies", the mental disorders, the people who are performing these horrendous crimes that we read about not only in Canada but in other parts of the world, especially in the United States.

We heard from witnesses who brought home to us some of the tragic events of accidents. We heard about violence in the home which is an unfortunately increasing phenomenon. It is so depressing to me and to so many other Canadians, the increasing incidents of young people and the suicide situation.

Of course, the committee was charged with these issues. It did its best to try to address what it is that we can do in our gun control legislation that will in fact have an impact on some of these tragedies.

It is in trying to forge the solutions that I think we tended to have the greatest difficulty. I am going to try to explain why. Many people have said: "What is it about your constituents, this gun community that you represent that is so different? Why would they be opposed to this gun legislation?"

First off, I want to point out that they really are not that much different. I will try to briefly run through a questionnaire that I sent out to my constituents. My constituents, for those who are not aware, are from Cariboo—Chilcotin, 60,000 square miles in central British Columbia who are guides, outfitters, ranchers from very remote areas.

They are people with a high percentage who are hunters, fishermen and gun users who are as comfortable with having guns in their day-to-day life as people in the city seem to be comfortable with what I consider to be a horrendous experience every day driving to work on freeways.

In that riding that I represent, the constituents responded, and I will give the results of only those who have guns. Those are the ones who you would expect would be opposed to this legislation.

On my question of should there be restrictions on military and paramilitary weapons, in Cariboo—Chilcotin the gun owners responded in excess of 70 per cent saying: "Yes, there should be restriction". When we talk about: "Should there be safe storage and safe transport", the gun owners in particular said: "Yes". I could go on with the question.

They will show that the people in the Cariboo are not really any different than the other parts of Canada in what they want to see achieved. In the methods that we use, that is where the difference comes in. It is in the sense that they have the feeling, as lawmakers especially here in Ottawa but representing in particular the majority of the people across the country who live in the major cities are prepared to impose heavy handed legislation that would affect them, their lives and their property.

I believe that much of their fear is unwarranted. It is a principle that I have been fighting for throughout the last 10 months to try to ensure that when we are coming up with what we think are solutions to this violence in society, we are always cognizant of the minority of the people in this country who are gun owners, but the vast majority of them are law-abiding and responsible and they want to play a positive role in this process, they do not want to be driven out.

I want to thank again the people who have worked with us so co-operatively, not only within the House but again the witnesses whom we heard from Nova Scotia through to British Columbia. I share with many members of the House that this is one of those pieces of legislation

where each one of us who worked on it can say we may not have made a dramatic difference in Canada but we have made a little bit of a difference and it will be seen in the years to come.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I wish to put my question to the hon. member for Cariboo—Chilcotin.

[*English*]

I understand the member represents a gun community, to use his own words, where it is part of their livelihood, and this community represents what is good about owning guns, from the survey he has made. They are against, for example, paramilitary guns and so on, and they are for some form of gun control. I congratulate him and congratulate his community for this especially since they are in an area of the country where the use of guns is a way of life.

I know the member to be reasonable, and he suggests that there is a compromise that has found. My question is this. Given that there were in 1988 1,400 deaths through gun fatalities, in the United States alone 34,000, and given that the regulations we will be bringing in later, I have a concern that we seem to be missing the point here. It is sort of like the urban area versus the rural area, with people who think that anyone who owns a gun is not a correct or a proper person. I think perhaps we are missing the point by forgetting the incident at Ecole Polytechnique and the incident at l'Assemblée nationale, and you referred to crazies, or, to use your words, crazies or people with mental disorders. Following incidents or occurrences or great events that we see that make national and international news—people going into a corner market and shooting a great number of people, or into a school and shooting down a great number of students, or going to a hamburger joint and shooting everyone in sight—we discover that these people had mental problems.

Should there not be a registry of people who have done time in a mental institution. It is easy to make a check in a community, in most residential areas, but in downtown areas of big municipalities it is quite difficult because neighbours do not know each other. You may get cases of people who have been institutionalized and are possibly manic depressives. Are they not the type of person who will go and buy a gun and will probably shoot themselves or go out and attack the world, as it were, because they feel the world is against them? Should there not be a registry of these people where the police would check into this and perhaps, just perhaps, we could prevent cases like Ecole Polytechnique or the sad event at l'Assemblée nationale?

Mr. Worthy: I would like to thank my colleague from Carleton—Gloucester.

The committees and the members working on them have spent a long time trying to wrestle with what to do about the people in society who are committing these atrocious crimes.

• (1840)

It is a terribly difficult one to address, but there is one thing that we all agree is necessary. Right now anybody can walk in to a gun store and, with a limited amount of time, very little screening compared to what we have put in the ground, is able to buy a very high-powered rifle. In fact, once they have the certificate, they can order them from a mail catalogue. They can get them half a dozen at a time.

It is what I call the proliferation of and far too easily obtainable high fire power weapons. That is something that we can address. Even in the gun communities a high percentage of the people will say yes, we do and we can address it. The first thing we have to do in that is to ensure that there are no more of these weapons coming into the country and being sold.

The more difficult problem is, how do you address those that are now there. In many cases many of these have been bought by responsible law-abiding people, hopefully for collections.

An hon. member: Are they registered?

Mr. Worthy: First off, we are talking about what we can do about them, and that is trying to reduce the proliferation of these kinds of weapons. In terms of trying to control the people themselves, we have done several things in that area. Anybody who is going to get a firearms acquisition certificate in the future will have to pass a competence test. They are going to have to go to a gun club in the community that they live and be able to demonstrate that they know how to handle their gun. The person responsible for that is going to have to sign

off that this is somebody they feel is responsible in having a gun.

In many cases, people with the kinds of problems the member is talking about will not pass that test. Further to that, the firearms acquisition officer will be meeting with these people and his responsibility is to check into the references and into the background of the individual.

Hon. Bob Kaplan (York Centre): Mr. Speaker, of the many debates I have heard in this House, of the many bills that are hotly controverted before finally passing, I do not think I have ever heard one where there has taken place in the House so much congratulations of one point of view of the other point of view about how accommodating they have been, how much they have come to see each other's point of view, how happy they are with the compromise that has been achieved.

I cannot comment on the process that led to this bill being before us today in its present state because I was not a part of it. I was not on the committee. I have been justice critic of our party in the past. I have been a minister responsible for gun control in the past, but as it happens, I took no part in the process that brought this bill before us tonight. So I cannot judge, as all those speakers before me have done in congratulating each other, what a wonderful process they enjoy together.

I can look at the bill, the bottom line, and say that I am very disappointed in this bill and that I think much more could have been done to save lives in this country with a stronger bill. I heard the leading speaker for the NDP say something in particular that disappointed me. He said that the process of gun control has just begun because now we have to make sure that this bill, as full of discretions and loopholes as it is, is applied in a well-meaning way in favour and not against gun control.

I hope he is right. I hope more will be done within the framework of this bill to make it tougher to obtain guns, but I certainly disagree with his observation that we have just begun the battle for gun control in this country. I have news for him. Gun control in Canada began before Canada was formed in this part of British North America. Gun control occurred when the Klondike was opened, for example, where Mounties stood at the stations, at the entry points into the mining fields, took rifles and guns away from the prospectors who were coming in, broke off the triggers, gave them back their weapons and sent them in to look for gold.

In the whole of the opening of the Klondike in the history of our country, not one murder occurred, not one person was shot. In California when the gold rush occurred and the opening occurred, there were a dozen murders some days. If my recollection is correct, there was never a day when someone was not murdered.

Let us not think that this is a country with a lower incidence of gun related crime because we are better people than the Americans are. That is not true. We are not better people. But we have had a commitment to gun control. We have over the years, going all the way back to then and even before, used the power of the government to reduce the amount of fire power in Canadian society.

I know that there are what one could honestly call two solitudes in this country on the subject of guns. Some people say it is rural-urban. That is a generalization which I think is right maybe in general but not at the fringes. Turning to these two solitudes, there is one very large group of people in our country who feel more comfortable when there is a gun around, loaded. It makes them feel that they are in a better position to make their livelihood, to protect their family, to protect their property and their households. There is another solitude of people who feel the opposite, who feel nervous when there is a gun in their house in a drawer up on the second floor, in a locked cupboard, in a locked safe, loaded or unloaded, and there are children around. They are more nervous than when that gun is not there.

They talked about a compromise. It is not a compromise. To be honest and blunt about it, it is zero sum gain. One side is winning because more gun controls are being put in, and the other side is losing because more restrictions are being put on a basic freedom.

The question is, and I will take it right out of the Canadian Charter of Rights and Freedoms: Are the restrictions that were proposed and rejected and are the restrictions that were proposed and appear in this bill reasonable in a free and democratic society? Was there a justification in real terms for taking away some of the freedom that would be enjoyed if this bill did not go

through or, if it had gone further as I would have like, could you justify taking away those freedoms?

I had a very close and intense experience with the gun control measures that were finally implemented in 1987 under the leadership of my colleague, the hon. member for Notre-Dame-de-Grâce when he was Solicitor General of Canada. I know the bill that he presented to our caucus contained much less gun control than the bill that he brought to cabinet.

I can also tell the House that the bill which came from caucus to the floor of this Chamber in 1976 or early 1977 contained much less gun control than was presented to caucus because politics is the art of the possible. We live in a country that has these two solitudes. One side can make its arguments and the other side can make its arguments, but there has to be some recognition of a variety of points of view in a country as diverse as ours.

What I regret and what I condemn this minister for is not having recognized that she could have seized the opportunity and the events of the last two years to go further than she did. If she had gone further than she did we would have had a better bill. I feel I can categorically defend more gun control by making the very simple point that we have proof in the statistics that resulted from the implementation of the package of my colleague from Notre-Dame-de-Grâce from 1978 that gun control works. The more we control them in rational, reasonable, effective and logical ways, the less people will be killed and the less accidents there will be related to gun use.

• (1850)

It is reasonable in a free and democratic society to do more. This minister had the opportunity because of a number of tragedies that occurred in this country—and I am going to talk about these tragedies because some of them happened in my own riding—to do more and she did not. Being the minister is a heavy responsibility and being the Minister of Justice is a heavy responsibility. There will be murders and there will be gun related crimes and accidents that will occur in the next two years or in the future that would not have occurred if the minister had brought in a stronger bill. It will be on her responsibility that those additional terrible crimes will occur, because we know that more effective gun control reduces the amount of gun related crimes.

On December 8, 1989, after the murder of 14 women by a man using an automatic weapon, I was given the opportunity to ask questions in the House. I asked the then Minister of Justice if he would bring in I think four, five or six specific changes which if implemented in the law would in my opinion and based on statistics result in fewer gun related crimes in the future and fewer deaths of innocent people. I called for a compulsory waiting period for firearm certificates and a third party character reference. Those are in the bill so I am not saying that this bill does not do something. I am not saying that it should not be supported. Our party, as a matter of fact, is supporting this bill as has already been indicated.

We called for and have received a more secure screening process; the inclusion of a photograph of the permit holder on the firearms acquisition certificate, much like a driver's licence; and raising the fee for the firearms acquisition certificate to make the system self-financing. I do not know if that low fee is really going to make it self-financing. If it is not, I hope there will be an effort by the government to see the fee raised to cover it. We have also called for the banning of semi-automatic versions of fully automatic weapons, the prohibition of large capacity magazines and the prohibition of military and paramilitary assault weapons.

As I indicated in my question, which had a lot of discussion in our caucus before I asked it, and as I am indicating today, we could go much further. I think the time would have been right to go further and we would have had enough national understanding. I am not saying national support because I know there are people who would prefer not to have any gun control, but I think at the moment we are in, in the history of our country, we would have had a national understanding of going further. The minister blew it in the sense of not taking advantage of that opportunity.

My leader called for prohibiting people who were convicted of violent crimes and sentenced to less than 10 years or indictable drug trafficking offences from being able to own a gun, giving judges discretionary power to prohibit gun ownership to anyone convicted of lesser drug trafficking offences involving violence. That type of measure which my leader has urged and which the

minister has rejected would have saved some lives if she had done it.

In my riding of York Centre in Toronto there have been more than 70 crimes committed involving guns just in the last 12 months. I am talking just about my own riding, one out of 300 in Canada. Most of these crimes relate to the activities of gangs and drug trafficking. In July the metro police seized 28 firearms including high handguns in a raid on drug dealers in my riding. In September gun-fire wounded six people at a dance for 500 people in my riding. These facts are compelling reasons for more action on gun control and compelling reasons which would have had a national understanding surely even among the other solitude that feels more comfortable and secure having guns around.

The bill and the policy have the support of our metro council. They have the support of the Toronto Police Association and the Toronto Board of Education. We have had tremendous efforts made by an association which I would like to acknowledge, the Coalition on Gun Control, Wendy Cukier, a Ryerson student from Toronto and Heidi Rathjen from the Ecole Polytechnique where that terrible tragedy occurred, which galvanized public opinion in this country. The government allowed it to go by without doing anything for months and months and then brought forward this very politically adjusted bill so satisfactory to so many of the participants in that process.

The bill is supported by the Canadian Police Association, by the Caucus of Big City Mayors representing Canada's largest cities, by the National Action Committee on the Status of Women and by the Canadian Criminal Justice Association, just to name a few. I know that tougher, more effective measures would also have had the approval and even more enthusiastic endorsement of the public of Canada that recognizes our history and the effectiveness of gun control in reducing the mass of weapons in our society and the amount of gun related crime.

I began by expressing my disappointment that the minister and the government of our country have blown an opportunity to move in a direction that history has brought the laws of our country at a time when more could have been done. I submit that more should have been done.

Therefore I support the bill because it takes a little step, but I cannot let the opportunity pass without expressing my regret that it does not take a big step.

[*Translation*]

Mr. Guy Ricard (Laval-Ouest): Mr. Speaker, I am pleased today to participate in the debate on third reading of Bill C-17. As the last speaker just said in the House, I think that we could go much further with regulations to control firearms in this country.

Mr. Speaker, as you know, a while ago, I was a victim in some sense of the Polytechnique tragedy, because while the killing was going on, I had two sons at that institution. I was here in this House on Parliament Hill and I had a very anxious time from 6 p.m. to 11.30 p.m. as I waited for news of my children. I can tell you that you really have to go through such an experience to understand how one can feel when a mad gunman decides to go on a rampage in a school or a shopping centre, as happened in the Polytechnique tragedy. Mr. Speaker, my wife and I lived through those terrible hours and I think that I will never forget them as long as I live.

There has been similar carnage on other occasions. When I see and hear those who oppose this bill that we are now debating, I think that they do not understand what it is trying to do.

• (1900)

This bill does not seek to take away the right or privileges of collectors or hunters to own firearms. On the contrary, this bill is to protect society. It provides that those who want to get firearms must register themselves and declare those firearms. The bill also prevents those who want to get firearms for purposes other than recreation or sports activities from doing so freely.

I heard several comments on ammunition. Some say that a permit should be necessary to buy ammunition. I fully agree with them. What difference does it make if I go to a store that sells ammunition for firearms and have to show a card confirming that I am an honest citizen who knows how to use firearms and does not want ammunition for evil purposes? I do not feel that this is a breach of my rights as a citizen.

We are discussing this bill today in the House because there is too much violence in the country and on the North American continent.

After the Polytechnique tragedy, I made a speech in the House and asked the then Minister of Justice to pass legislation for controlling firearms and violence on television and in the newspapers.

Mr. Speaker, if you watch TV programs, music programs or video clips closely these days, much of them is violent or incites violence.

So, you can imagine that a 10-, 12- or 15-year-old watching those programs gets ideas that are not too healthy. That young person is already rebelling against society; things are going badly at school; he does not get along with his parents; his girlfriend left him; he has taken drugs on occasion. That young person becomes so mixed up that a television scene can incite him to violence.

I asked the government back then to pass legislation and regulations to limit or eliminate completely this violence on television. I am not necessarily talking about pornographic movies, where violence is directed at women and children.

Some people think they are important and intelligent because they make movies showing violence against children and women, and sometimes men, and they sell those films and hope to become rich.

This is despicable. As civilized human beings and normal citizens, we cannot tolerate such a thing. We should eliminate all that violence. Some will say that here in Canada, it is quite difficult to control what comes from the United States, via satellite and television. I must admit that. But the fact remains that when we discuss a free trade agreement with the Americans or with the Mexicans, we should also put this issue on the table and say: "Listen, where are we going?" After all, the Americans also have a problem with violence.

Why could we not sit down and give this some thought? I am positive, that if only we tried and discuss or negotiate with our American partners and the Europeans as well—since we also pick up European broadcasts—there might be no need to put our picture on an application for a hunting permit. I have nothing against that, mind you, but, as a matter of principle, we are compelled to take drastic measures today in the hope that there will be less violence and fewer people killing each other or dying at the hands of nitwits who use guns to put their ideas across.

[*English*]

Mr. Robert D. Nault (Kenora—Rainy River): Mr. Speaker, it gives me pleasure to attempt to explain to my constituents and to all Canadians the situation we have before us tonight in Bill C-17.

This afternoon I had the opportunity to vote on Bill C-17 and I voted against this particular piece of legislation. I would like to explain why.

I think it is important that we try to focus on the facts and on what we want to achieve with this piece of legislation. One of the reasons why I believe very strongly that this particular legislation has the wrong focus and is ineffective legislation is because it focuses on the particular piece of equipment that we call firearms in this country rather than focusing on the crime which exists in the large urban centres and indeed in the rural areas of this country.

I want to deal with aspects of the bill that are missing because again what we have done with Bill C-17 is tinkered around. We have taken a piece of legislation and dealt just with the fringes of the issue.

After the next election I expect to see myself in some other seat, probably over there on the opposite side, dealing with this issue again.

The reason I say that is because we have done a very shoddy job. The NDP has said that this is just the beginning of gun control and we will have to visit it again. I have to agree with that. This is the wrong approach to gun control and that is why we will have to visit it again.

We have not dealt with the fundamental issue which is crime on the street, the individual who is not completely sane and decides to take a firearm or any kind of weapon, such as a bomb which they use very frequently in the British Isles to do carnage to their citizens .We have not dealt with that particular issue.

I thought when I first got involved in looking at gun control that maybe—my colleague who spoke before me in the Liberal Party touched on it very well—it was the wrong time in history to deal with this particular piece of legislation or this particular issue because it became such an emotional issue that we never did take a good look at the facts.

It is obvious that we did not take a good look at the facts because the parties made a decision very early in the legislative process to restrict the debate. At second reading we were restricted to having one member from each side talk very, very quickly about the legislation and then it was sent off to a committee.

Then as members of the public will say depending on what side of the issue they are on: "It was railroaded and sent to a special committee called C-80". Once the process was railroaded in this place, members were not allowed to speak and the media got hold of the issue, it took off on a life of its own.

• (1910)

The extremists on both sides came out suggesting that on the one hand for those who were in favour of guns, all the guns would be taken away. We all know that is not a fact. We know that is not what this bill will do, and those of us who tried to maintain some sort of rational process during this whole debate tried to explain that.

There is the other side of the issue where it is the opinion, to which there is a right, that society should have no firearms at all. Unfortunately living in a large rural country that has grown through the process of firearms from day one that is impossible and it will never happen in this country. At least that is my own firm belief.

What happened in the media when it took on a life of its own was that all of a sudden every single individual who ever was aware of an incident where people were killed or there was a suicide with a firearm, there were all sorts of tragedies out there, and out they came.

I never saw so many media reports about guns. I have never heard of so many in my whole life. This is something which appalled my constituents simply because legitimate gun owners do not run around with machine guns. First of all, automatics are already prohibited in this country.

I want to bring a little bit of sanity to this debate and a little bit of respect for what both sides are trying to deal with.

I understand what the urbanites and those who do not believe in firearms are talking about. Those individuals are talking about the unsafe feeling they have of living in the city and the fact that there are statistics that will show that crime is much higher in the urban centres than in the rural areas. They do not feel comfortable because of the kinds of stories they see in the media every night.

I thought that what we would do when we got to Bill C-80 before it became C-17, as a member of that committee, we would deal with those particular issues. While it quickly became apparent that members were prepared to deal with the issue of Bill C-80, they were being told by the justice department that that was not the strategy they wanted.

For example I want to deal with the areas that we talked about very extensively at the very beginning of the whole issue of gun control. Let me just deal with the first paragraph of this particular committee's recommendations.

It is very important to realize that the committee had a different focus than the justice department. Let me read one quick quote:

> The special committee believes that there must be established a mandatory competency and safety course the successful completion of which would be a condition to obtaining an FAC for the first time.
>
> The committee recognizes the overwhelming support for the implementation of such an educational component and the acquisition process where virtually all witnesses who appeared before us.

Mr. Speaker, one of the things you notice is not in the bill is a mandatory training program. That was something agreed to by all sides. Everyone thought that if you wanted to have legitimate gun owners in this country, people who understood the law, who were going to understand how to deal with their firearms safely, the first thing to be done as Canadians would be to educate.

I suggested that all along. The first thing the minister should do is to tell her provincial counterparts who were also making presentations as the offices of the attorney generals were that they felt this was a good piece of legislation, that they simply allow us as Canadians, as members of Parliament, to pass the piece of legislation that puts in regulation, mandatory training, and allows the federal government through the advisory council to put in that particular training regime which will meet the needs of all Canadians.

That never got done. That is not in the bill, and that is something everyone felt strongly about under C-80.

We also talked about something that was very important and something that the committee felt it should deal with because the perception is that most Canadians believe, and rightfully so, that the courts are not doing justice to the criminals who are brought before them as it relates to firearms. The committee again said that it felt that the idea of plea bargaining was being used on most occasions instead of having mandatory sentencing for those who were using a firearm during a crime. The committee recommended that we increase to three years the minimum for a first offence and five years for subsequent offences.

Again, the minister decided under section 85 not to deal with that at all, that in essence it was working very well. Just about all the members who came forward who were involved in this particular issue in a large way felt very strongly that the process was letting them down, that the judicial system that we have in place now was not dealing with the issue the way it should.

There was another area that I thought we should deal with that I still think we will have to deal with very soon. That is the importation of firearms. You can prohibit whatever you want. Legitimate gun owners will follow that. They will respect the law as they have always respected the law.

One of the things that they will not do, or be able to help you with, is dealing with the criminal element which is buying illegal firearms that are being imported into Canada through the United States because of the difficulties at the border.

Let me read what the president of the customs union said to us on Bill C-80. He stated that the Department of National Revenue, Customs and Excise, suffers from staff shortages and inadequate training of customs officers. He suggested that at least 1,000 more customs officers were needed and that all customs officers require more training in regard to Canada's firearms laws.

It became very evident in talking to customs officers—and I happen to have a riding that is bordering on the United States and we have customs officers there—that one of the things they made very clear is that first of all they have no knowledge of the firearms legislation that we have now. Never mind the regulations that we are going to be putting in under Bill C-17. They were also trying to tell us that they could not see themselves being able to justify dealing with the illegal importation of firearms because of the lack of staff.

If we are going to be serious about dealing with these kinds of things, and be able to feel comfortable in this place telling Canadians that yes, indeed we have put a good piece of legislation in, we should look at the obvious problems that are out there. I have just named a couple of problems. That is, one, the fact that we are going to start prohibiting and restricting certain firearms is not going to deal with the issue that is out there on the street now.

I want those who are listening to us tonight to realize that the situations that happen such as the one involving Marc Lepine in Montreal just in the last year or so are not going to disappear because of Bill C-17. I think everyone has to be very serious and straightforward enough to admit that. There is no possible way we have the ability to stop madmen like that from doing things that they are going to do.

If we remove the firearm that Mr. Lepine used which the government is proposing to do under this legislation, he would have used something else. I am not suggesting that because of that we should not have gun control. What I am suggesting is that we have effective gun control.

I am one of those who believe that this is all a smoke and mirrors game. This particular piece of legislation will not have the effects that the minister has suggested it will or that members opposite have suggested or the majority of the members in this place. I for one think that when we get the opportunity to deal with gun control again that we should look at it in its factual sense, not to let the emotions run wild the way they did in committee, where people were screaming and yelling at each other because they did not agree with their opinion and there was this myth created that there is this tremendous gun lobby out there that is pressuring people to allow guns to be worn on each hip.

That is not what Canadians are all about. Canadians in this country are very sensitive, very caring and very loving people. They are also very law abiding. They are also very carefree and very capable of honouring their commitments.

• (1920)

I sense the members are saying that if they continue to restrict the legitimate gun owner or the law abiding citizen that they are going to deal with the issue of crime on the street.

I would like to know from the minister how much money it is going to take to administer this piece of legislation. I would like to take that money and pump it into Toronto to help the people of Toronto fight crime. I imagine it will be in the millions to deal with that, not to mention the millions of dollars of firearms that are going to have to be destroyed under this piece of legislation through the amnesty provision.

All that personal property is all for naught because we simply have not dealt with the issue that is before the people of Canada today.

I was a very strong proponent of mandatory gun training and I still am. I believe if you want to change the views of Canadians, you have to educate them. We simply have done it the cheap way. We will continue to reduce, reduce and reduce the amount of fire power out there, hoping that will rectify the problem. Unfortunately, it will not.

I attempted to put an amendment before this House on mandatory training. The impression that is being left by the media, the Department of Justice and the minister is that we do have training now. We do not. The fact remains that the attorneys general of this country have to approve the whole process before it comes into existence. It is no different than in 1978.

What happened in 1978? We are still waiting for that infamous agreement that the minister suggested we were going to get.

The other day I mentioned a particular poll. I am not one for polls. A government should not be run by polls because it is just a reflection at a certain time of somebody's view. The poll seemed to suggest that Canadians were not looking to us as parliamentarians to restrict legitimate gun owners. They were looking for stronger laws that would deal with the criminal element.

If that is what the minister suggests this piece of legislation does, then I will have to say that I am wrong. I believe very strongly that I am not. Somewhere down the line there will be another situation that will happen such as happened in Montreal. It is sad to have to say that in this place, but it is a belief I have. Then members in this place will be asked this very simple question by their constituents: "I thought you folks looked after that with Bill C–17". We have not. We have not looked after that one iota.

The other area I want to touch on is something we are still waiting for. I commend my colleague, the critic for justice from Cape Breton—The Sydneys, who asked the Minister of Justice in June if she would be willing to give us an explanation of what the regulations will be. This is a very unusual piece of legislation because most of the issues are dealt with in the regulations. We have no idea, for example, what the definition of a genuine gun collector is going to be. We have no idea what the definition of what safe storage will be. We have no idea what will be prohibited, military, paramilitary, what kind of semi-automatics. All of these are areas that are left to regulation under this particular scenario. We asked the minister quite a long time ago for that explanation. In June she said they were not prepared.

We are now into November and still no regulations and we as members are voting on something that we are not quite sure what the end result will be. The argument put before us is: "That it is perfectly acceptable, because you will get to take a look at those regulations and if you can find 20 members who are not in favour of it, within 30 days, then we will be able to send it to committee. During that whole process you will either vote yes or no and you will not have an opportunity to amend it because it is a yes or no. If it is not yes, you can amend the regulation somewhat". Those are all areas that really concern me as a member of Parliament. Many of my constituents come from rural areas and are avid hunters. They believe that they their use of guns is legitimate and legal in every sense of the word. They are quite prepared to be inconvenienced or restricted if they feel that they are getting legislation that will simply rectify the problem.

But we are not rectifying the problem here. I want to make that very clear to all those who are out there. Because of that I suggest to the government of the day that it take another look at what it has and try to deal with the issues that are so paramount in peoples' minds and that is the criminal element that is using illegal weapons and creating carnage in our society.

I thank you very much for the opportunity to bring my views forward. I wish the minister good luck with her bill. I am looking forward to seeing the regulations. That is the area that concerns me, more so than what is in the bill so far. Everything is in the regulation and not in the bill.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I want to comment on the hon. member from Kenora—Rainy River's speech. I think it was a very good speech and a very thoughtful one. I want to make just a couple of comments with respect to the bill and the provisions in it.

The member talks about the consensus on the special committee for a training provision. As he well knows, such a provision has been in the Criminal Code since 1978. It is not in this bill because it is already in the Criminal Code. The problem is that it has never been implemented.

When I brought forward my package of firearms measures I made it very clear that there were three parts to it. The first part is the creation of a Canadian Advisory Council on Firearms to deal with such things as the question of how to have a training program. That had been in the legislation at that time for 12 years. I wanted to bring it into fruition and in fact I will be ready very shortly to table those regulations in the House of Commons.

There are other powers that are now in the Criminal Code such as the power to prohibit any kind of firearm. So in terms of defining military and paramilitary firearms governments have had that power for a very long time.

What I indicated when I brought my package forward was that I was going to get the very best advice that I could from a cross-section of Canadians. It is a regionally balanced, interest balanced advisory council consisting of many people who are in the shooting community, as well as people who are experts in the area of public health and law. They tried to bring together a reasoned range of outlooks to advise me on how to implement those provisions.

So a variety of those things require in fact no new powers.

I want to say to the hon. member that my provision for the House dealing with regulations allowed the House in fact to veto regulations. At the suggestion of the government Whip that provision was changed to extend or perhaps formalize the consideration of regulations by a parliamentary committee. Even though there has been an amendment that my regulations would go to the justice committee, in fact because of the changes we made to the rules of the House after the McGrath committee report, any standing committee may deal with these regulations when I table them. If the agriculture committee wants to look at them, if the external affairs committee or the finance committee wants to look at them, they may. There is no way that I can or would want to prevent it. It simply means that as a matter of course they will go to the Standing Committee on Justice and the Solicitor General.

I will very much look forward to the input of my parliamentary colleagues on those regulations. I hope to be coming forward with a variety of regulations in the very near future.

I think it is important to point out that the criminal law is not the guarantee of no crimes. I think the hon. member makes a very important point but this is not a panacea. This is not going to do away with violence in society. What it does is give to the police, the customs officers and the courts the tools that they need. We have in fact very much increased criminal penalties. We have increased the length of mandatory prohibition orders and a variety of offences to which mandatory prohibition orders apply.

Where I differed with an amendment put forward by that member's party was where some of these orders would have been mandatory, even for relatively minor offences dealing with drug trafficking. I could envision a scene in Yukon or somewhere, where an aboriginal person is convicted of trafficking in a small amount of marijuana and a mandatory 10 year prohibition order I think would probably be considered in most cases overkill. Therefore, the discretion is still there in the courts.

• (1930)

I want to say that I very much respect the hon. member's comments because I think what has been frustrating about this subject is that there has been a polarity of views. I think it is frustrating for responsible firearm users to find that there are some people who think that anyone who owns a firearm is a latent homicidal maniac. That is not true. Similarly there are

many people who are firearm owners who do recognize the need for good legislation.

Just the other day I was speaking at the University of Ottawa and a young person spoke to me and said: "I belong to a shooting club. We use handguns. We are in competition shooting and we support your legislation. We know what you are trying to accomplish and we know that our ability to pursue our sport depends upon the confidence of the public in the firearms system".

I believe that we have to continue to evolve. My concern has been to create a legislative framework that is workable, to put into place the training provisions that have been in the statutes for so long, to reassure Canadians that those who have firearms are competent to have them, to create an atmosphere of tolerance, and to create a legislative framework which is truly national. We cannot legislate for downtown Vancouver alone. We cannot legislate for Kenora—Rainy River alone. We have to legislate for the country and that requires balance and co-operation.

I think we have come a long way. There has been an enormous sharing of points of view here. I hope the hon. member will continue to participate in the discussion and to be part of the process because I think it is very important. I just want to say that I think some of his comments were not well taken in criticisms of the bill because it is very easy to look at a piece of legislation and say it does not solve the social problem and therefore we should not have it. It is a contribution. The law and public safety are made up of a mosaic of tiles of legislation, policy and attitudes. This is a contribution, and I hope we will work together to fill in some of those other tiles with our attitudes and our policies that will eventually do away with some of the more outrageous scenarios which have been discussed in the course of this debate.

Mr. Nault: Mr. Speaker, I thank the minister for her comments. Indeed it is a very difficult piece legislation to debate.

Again I suggest to the House that it is unfortunate that we have to debate it in these kinds of circumstances, as I mentioned, under second reading. I would have loved to have brought my views up at second reading so that they could have been used at the committee or that all members or all Canadians could have looked at the issue in a more factual way instead of allowing it to become so emotional in that if you voted against a particular piece of legislation that dealt with gun control then as the minister said you were some sort of Rambo who wanted to run around with an AK-47 in the bush chasing a rabbit.

I recall when I saw that cartoon in *The Globe and Mail*. It really brought home to me just where this whole debate had gone. It had gone astray and it had caused a lot of members on both sides not to speak their mind. It is really quite sad to think that there are members over there and on this side who had a lot to give this whole debate on legislation this country so desperately needs and were not allowed to speak. I would say to the government and to all people who are listening that the next time we get into this issue we should allow everyone to speak their mind freely. Then we will get the kind of legislation that we so desperately need in this country.

I say to the minister that I wish her well with the regulations. I will be around to scrutinize them very carefully because there are some issues in those regulations that if done properly will make this legislation just a bit easier to live with.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I want to tell the hon. member what I learned in the committee and at a lot of hearings. Most Canadians who are killed by guns are not killed by criminals but by people they know. The statistics are overwhelming.

We should focus on criminals, yes, and we do need legislation. I see the minister is in the House. In the future we are going to have to revisit restricted weapons, handguns, as I said in my speech tonight.

I am not quite sure what the member's position is or whether he represents the Liberal Party's position, because I heard from the member from York Centre saying totally the opposite. Does he represent the position of his party? Just in a very brief capsule, if he had a chance to do effective gun legislation, what would he do?

Mr. Nault: Mr. Speaker, I always welcome the member's foray into the House of Commons. I told him the other night that every time he speaks I gain about 100 votes. I have done real well by this member lately. I probably got re-elected because of his lack of understanding of the whole process of gun legislation and the

belief that anybody who happens to have a firearm is innately bad and is someone who cannot be trusted.

I go by the premise that law biding citizens who know their way around the bush of northern Ontario are capable of my respect and vice versa. I would not unduly legislate them to death based on that.

Just let me quickly finish. The member asked whether I represent my party. Obviously if he were in the House today he would have noticed that I was in the minority. My caucus believes that this legislation is better than no legislation at all. I simply think that this is not good enough for the circumstances that we are in right now as Canadians. Therefore I have walked away from following suit with my party even though it hurts me deeply to have to do so.

I think my constituents understand because of the fact that they believe that I am here to represent them first and foremost. That is what I have done here today.

Miss Deborah Grey (Beaver River): Mr. Speaker, I too am pleased to have a chance to enter into the debate on Bill C–17.

I would just like to thank the member for Kenora—Rainy River as well for his productive comments and a very reasonable and rational approach to this whole idea which in effect is certainly an emotional issue.

Gun control generally makes its way to the top of the agenda due to rising incidents of armed violence, accidental shootings or suicides with guns. I think this is probably no exception to that. These types of extreme actions often evoke equally extreme reactions. We have certainly seen that in committee meetings with special interest groups coming forward. Neither side of the debate is immune to irrational and irresponsible lines of argument.

Too often these are the positions that are heightened through the media. We must seek to present a clear and undistorted picture of firearms control to the Canadian public. In so doing we must first define the general objectives that we believe are consistent in balancing peace, order and good government with the rights of the individual.

To my mind this encompasses three essential points. First, we must acknowledge the genuine concern especially in urban areas with respect to the easy availability of firearms and their increasing use by unstable and criminal elements in the population. We must also acknowledge the desire of many Canadians to use and own firearms for hunting and for collecting purposes.

Second, I believe that the trust of firearms regulations should be toward more effective regulation of users rather than increased regulation of firearms themselves. There must be stronger enforcement of existing and future regulation with the cost of licensing being borne primarily by firearms users.

Third, there must be a higher priority on the right of Canadians to public safety than on the right to own and use firearms.

Having stated these general objectives we must now apply them to the legislation currently before us. We must ask ourselves: If we enact Bill C–17 will it be respected? Will it be obeyed? Most important, and I think the ultimate question that we need to ask here is: Will it curtail gun related crime?

In short I believe the answer is no. This bill does little in the way of protecting the average citizen. I believe it seriously undermines the freedom of the law biding individual.

Let me outline my misgivings about Bill C–17. As I have just stated, I believe Canadians are more concerned with public safety being the top priority for firearms control rather than the right to own and use firearms. However, this bill all but ignores public safety by way of focusing in on the legitimate users and failing to acknowledge the real threat posed by the criminal element in this country. My comrade beside me has just spoken very eloquently about that.

It would appear to me then that although well intentioned the committee has perhaps missed the source of the problem. I just want to congratulate the committee for the months and months of work that it has done. It interviewed countless witnesses.

The use of firearms during the commission of a criminal offence has not been addressed. If the reason for this bill is to combat firearms related crime then it has failed. The theft of firearms has not been adequately addressed. If preventing the theft of firearms by criminals was a significant issue, the Department of Justice would have been better off to make mandatory minimum sentences for this offence rather than penalize legiti-

mate gun owners with stringent, anti-theft storage requirements.

• (1940)

The new definition of safe storage is certainly a step in the right direction but we simply cannot put the onus on the owner for protection against theft while ignoring the thief. Weapons are not stolen simply because they are improperly stored. They are stolen because someone other than the owner has intentionally committed a felony. Criminals could not care less about how many locks they have to break in order to access a firearm. This exclusion in the legislation nullifies the impact this bill could have in preventing criminal acts which employ firearms.

The smuggling of firearms has not been addressed. Any criminal worthy of his or her profession is not going to register a firearm before he or she commits a crime. Let us think about this in a logical fashion. Mandatory minimums for smuggling firearms would be helpful in deterring this type of criminal activity, but again there is no provision.

The fact of the matter is that none of the increased penalties in the bill relate to criminals using firearms to commit crimes. Rather, penalties are only applied to those who have been recognized as qualified gun owners who have violated the law in terms of things like storage requirements. Thus there is little in the proposed bill which attempts to control crime committed with guns.

How is this legislation intended to insure public safety? I must submit that it contributes little or nothing in that area. In fact it is difficult to see how this bill will actually lessen the number of guns in Canada or prevent a future massacre and tragedy such as happened at l'Ecole Polytechnique.

The real problem with Bill C-17 is not with its contents but with what has been excluded in addressing criminal activity. That is the problem is not what is in the bill but what has been left out.

That being said, there are some significant steps taken in this legislation which should alleviate some of the fears of ordinary Canadians. I applaud the committee's work with regard to acquisition certificates. It is imperative that stronger enforcement of firearms regulations take place. The new FAC provision is a healthy contribution to that end.

The photograph which is to accompany the FAC, proposed by the justice minister and endorsed by the Canadian Police Association, is an important and logical step toward more effective control. I congratulate them for that.

However that is not to say that the proposed FAC is flawless. In fact there is a major gap in the logic of this bill in that it adds discretion for local firearms officers to certify competence without any course or test. Why would we think to place an unlimited number of restrictions on part of the firearm using population while at the same time allowing others virtually unlimited freedom? It would seem that there are two different standards to be employed in obtaining an FAC. Surely there must be one law applied to all of us.

The bill is therefore not devoid of good ideas. I want to reiterate that. However there are far too many holes in it to provide for effective firearms control while at the same time balancing the rights of individual Canadians. I must say however that some of the amendments proposed by the committee are in keeping with the objectives we should be pursuing. The new fee of $50 for an FAC is consistent with placing the cost of licensing with the firearms users themselves. Those who are not gun owners should not be forced or even asked to subsidize those who do exercise this freedom. In addition, deleting the provision that would have allowed individuals to rent restricted weapons seems a logical extension to effective gun control.

These are both reasonable and intelligent amendments. I think that everyone across the country will certainly recognize that.

However I must express my reservations about a provision which would allow firearms officers to question neighbours, social workers, spouse and family members of anyone who has applied for an acquisition certificate to determine if he or she has a history of violent behaviour. I can certainly understand the rationale behind such an amendment. However I wonder if anyone has put any thought into the consequences that such possible actions might bring.

In small rural communities, in fact where I live, these types of activities would almost certainly cause a great deal of strife and animosity between community members, neighbours and family. It is not inconceivable that such a process would create suspicion between family and neighbours thereby tearing apart the very fabric of that community. Imagine the distrust which would sweep

around a community knowing that some people may have been asked about a particular person.

All this may be done at the whim of the inspector and without any real guidelines for such an action. I hope the House will consider the extent to which individuals may be unduly persecuted in this respect.

These amendments contribute to some of the shortcomings of the legislation but Bill C–17 still remains fundamentally flawed. Many see this as a rural versus urban split. Of course this is a simplistic and stereotyped view.

I have received numerous letters from Canadians outside my rural riding of Beaver River asking me to defeat this bill on the grounds that it does not go far enough in achieving the three objectives I listed earlier.

These people are not uneducated, uninformed, trigger happy killers. They are doctors, lawyers, professional people, working Canadians, men and women. The spectrum is as wide and diverse as the Canadian people themselves. I have received a powerful statement from a female Ph.D at a very prestigious institution in downtown Toronto who writes: "This legislation would be seriously damaging to the legitimate shooting community and would offer absolutely no offsetting benefits to public safety."

This person is an established doctor of psychology, not an uninformed radical. We must therefore acknowledge that this issue concerns everyone and not just a particular set of interest groups whom we have all heard from be they on one side or the other of this issue.

We must strike a balance between the concerns of both rural and urban Canadians. It is my feeling from the correspondence which I have received and the studying that I have done that the bill satisfies virtually no one.

I submit that this bill is unsatisfactory in its present state. It is a patchwork of amendments intended to satisfy various interest groups on both sides of the issue. It therefore ends up falling short of doing what it should do and that is protect the average Canadian. It undermines the democratic process because there is no protection by members of Parliament against Orders in Council or regulations. We have seen that one of the amendments allows for regulations to be taken to committee but when it cannot be debated openly on the floor of the Commons, then people certainly have a suspicion about that. I really doubt that much serious work could be done in committee as my colleague from Kenora—Rainy River mentioned earlier.

MPs have no vote against regulations and bringing in amendments and may not even be notified about these Orders in Council before they actually happen. It would be much nicer to know ahead of time what is coming rather than playing catch-up all the time.

Above all I believe this legislation is irresponsible because it presents the illusion that the government has done something to curb gun related crime when in fact there are no simultaneous measures directed at organized or unorganized crime.

Since Bill C–17 does not go far enough in achieving the objectives of public safety, upholding the rights of the individual Canadian, and putting a check on the unstable and criminal elements of the population, I am not able to support Bill C–17. As it looks as though this bill is going to go through probably on a vote tomorrow morning, I would certainly wish the government and the members of the committee well who have worked so hard on it. I think we certainly do not need to stop here. It will proceed but I think as Bob Nault just mentioned we need to keep moving ahead. This probably does not address the issues and answer the question, will this in fact prevent another tragedy such as the one all Canadians witnessed last year at Ecole Polytechnique. I am not convinced and I do not think anyone is convinced that would be the case. I hope that is what we will move towards in effective gun control.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I guess that is a pretty tough test that the hon. member has set for us here. It would have her support I take it if we could guarantee that this would prevent a tragedy or a massacre. Well I think the hon. member should admit even if she did not say so in her comments, that would be pretty difficult. If the hon. member has amendments or a draft bill that she would like to show us that she knows would prevent past tragedies from happening again I would be very interested in seeing it. I would love to see just what amendments would guaran-

tee that terrible tragedies like the one that was mentioned would never happen in Canada again.

When you have set up that kind of a test, I guess we are always going to be somewhat short because who can guarantee human behaviour? I mean it is a little bit like the arson bill. A year ago we were involved with that and somebody said to me that the arson bill which has not been amended in 100 years did not include setting fire to your car as an offence. If you set fire to a vegetable stack that was arson, but if you set fire to your car it was not. Somebody said to me well does this mean that people are not going to commit arson by setting fire to their cars? I said: "I do not know but I do know this, it will be an offence in Canada and we are setting a direction in the Canadian Parliament". We are saying what we believe is proper behaviour and what we believe is proscribed behaviour and I think that is what we are doing here. Just as I cannot guarantee that nobody will ever set fire to their car I can guarantee that people who want to engage in that kind of behaviour will find that there is a sanction of the Criminal Code against them. As I say it is a pretty tough test.

• (1950)

I want to direct the members' attention to a couple of things she said. Twice she said the issue of smuggling was not addressed. I heard it in a couple of speeches. I do not know if these speeches get passed around or if bad information travels but the hon. member should be aware that this bill raises the maximum sentence for smuggling from five to 10 years. That is in the bill. Again they always say: "You have not put a minimum sentence of five years". I think the hon. member would know what court decisions in this country are saying about minimum sentences. She should know what happens to the minimum sentence on importing narcotics. So we made it 10 years. It is a direction by the Canadian Parliament.

For anybody to say that we have done nothing in the area of smuggling is absolutely incorrect.

As well the other red herring put out is failing to mention that the wanton disregard for the safety of the public is also an offence for which we have increased the penalty. I wish the hon. member would address herself to some of those concerns.

Miss Grey: Mr. Speaker, I am pleased to address the concerns of this hon. member. I first must say, without being holier than thou, as I was delegated to be by my neighbour from Port Moody—Coquitlam that we have just witnessed in this House someone who made fun of an arson bill. Someone has come forward and made fun of setting a car on fire with a sanctimonious tone of voice and a defensive feeling. I think anyone who is watching this parliamentary channel right now would say we are dealing with an issue far more serious than getting up and making a scene like that.

I believe that if the government House leader is watching this and I am sure he will get this on demand video because he watches every word I say, I would say listen to that. If we are talking about decorum in this House let us address the issue of something so serious as gun control. I would dare say that if Mrs. Edward was watching this right now and heard that going on while we are talking about an issue so serious when somebody launches off about setting a car on fire, *vis-à-vis* arson, it is dreadful.

I do not want to appear sanctimonious but I will say that is why we get ourselves off the issue far too often.

Thirty-two recommendations were brought forward by the special committee on Bill C-80. I dare say that if half of those regulations and recommendations would have been put forward in this bill, people would have been far happier to accept it. People would have been far more pleased to say that we realize that a special committee has been brought forward and that people worked very hard on these issues and that 32 recommendations were brought forward. How many of them have been acted on in C-17? How many have been acted on? Not very many.

I would draw the member's attention to the Canadian Police Association and some of the recommendations they brought forward. They said that over 90 per cent of our respondents believe that guns of all kinds should be registered. I agree with that and I think every Canadian would agree with that. There should be a minimum age. I think that is perfectly acceptable as well and that compulsory training requirement should be in effect to

obtain a gun of any kind. Those are things that we think are extremely important.

I would also like to say that the maximum sentencing for smuggling of 10 years was addressed. What are we going to do about the minimum? We know how the courts work in this country. What is the sentencing going to be? What about a mandatory sentence, that my neighbour here from Kenora—Rainy River spoke about? What about people who are involved in policing across the country who are saying: "What do we do when we catch these people"? Are we going to make sure there is a mandatory sentence and that they will not be able to plea bargain themselves out of it.

In terms of existing legislation, I would like to record something that the Lac-la-Biche Shooting Association, a very prestigious and renowned group in my riding of Beaver River, hundreds of miles away from central Canada said to me. These people are very responsible citizens. They said to me and they have said it since Bill C-80 was first introduced in June 1989: "Although violent crime is on the increase in Canada, firearms related crime is decreasing and is not a major sector for concern. Current legislation, although in no way perfect, is adequate". That is what I have been hearing from right across the country. Current gun control legislation is not perfect, neither is Bill C-17.

The issue that I think every Canadian looks at is whether it will be enforced. Whatever legislation is in place let us make sure it is enforced. I fear that many people, such as fish and wildlife officers and policemen to whom I have spoken, are saying we are going to have a very difficult time enforcing this legislation.

Mr. Arnold Malone (Crowfoot): Mr. Speaker, the hon. member for Beaver River very appropriately and correctly states that both sides of this issue at the extremes were irrational. It is a highly emotionally charged debate. Concerns of urban areas often were distinctly different from that of rural areas.

She belongs to a political party that would like to put these things to free votes in the House. Free votes lead to purist attitudes. They do not bring out party compromise which provide balance on issues.

Her party also believes in referenda where the winner takes all, except in the case of Ernest Manning who had a referendum on Sunday sport in Edmonton. He did not like the results and therefore rejected them.

I would like to ask the hon. member how she would resolve an issue that requires balance and work to bring sides of a country into some sort of compromise for a national Canadian perspective when she belongs to a party that would let the purist attitudes and the winner take all, either through free votes or referenda.

Miss Grey: Mr. Speaker, I am pleased to address the question of my neighbour from Crowfoot in Alberta.

The whole idea of compromise, in bringing things together so we do not run rampant, is a very important issue. We have seen that members on opposite sides of the spectrum on this whole issue have, as the member for Cariboo—Chilcotin said, come together on this issue somewhat. It probably is a long way down the road from where this issue started in 1989.

My question would be why was this thing, if it is so good and is coming along so well, immediately sent, quietly, to committee? Why did only one speaker from each party address it? Why was it passed quickly and silently at five minutes to six one night? Is this compromise? Is this what we look at when saying that we are all free to speak our minds? No it is not.

We saw today whether it was a free vote. That is the question we need to ask ourselves. No it was not, because of party discipline.

I want to congratulate the eight members, I believe, on the government side who had the nerve to stand up and say that constituents are important, that they saw weaknesses with this piece of legislation and that they would continue to move ahead.

I do not know what is going to happen to them, if they are going to come and join me here in the independent ranks as others from the government side have done. We believe it is important for people to stand up in the House of Commons, as we witnessed here today. It would be advisable for the member for Crowfoot to be very careful about what he says when throwing stones at this side of the House.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to extend question or comments?

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is not unanimous consent. I am sorry for the hon. member.

Mr. Waddell: Point of order, Mr. Speaker. I understood that you were going to let me pose a very short question afterwards and I understood that the other members agreed.

The member who was speaking wanted to hear—

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am sorry, but our Standing Orders are very clear. Each speech is followed by a 10-minute question and comment period. To extend that period, unanimous consent is required. On debate, the hon. member for Prince Albert—Churchill River for 10 minutes.

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I appreciate the opportunity to join in this debate. I do that not for the purpose of adding to some of the fireworks which we have seen in the last several exchanges but rather to explain to people who have expressed their personal concerns to me as a member of Parliament why I cast a vote in support of the principle of this legislation, as I did today.

• (2000)

Among the responses I received, probably similar to those that many other members received, there were basically three categories of interventions that the people of Canada made to us. The first of those categories of interventions or opinions were from people who opposed gun control on principle, who do not want to see any gun control of any sort in this country.

I had the opportunity to pursue studies in the United States for four years. I lived there for four years. I have had the opportunity to visit many American communities during that time and since then. As a result of that experience I have to categorically reject the whole notion of not having gun control.

I do not want to see our communities turn into the kind of free fire zones that so many American communities have turned into. I do not want people to get the idea that going to bed with a handgun under their pillow is any kind of solution to their feelings of personal insecurity and fears for their personal safety.

A second group of people that intervened in this debate wanted a much tougher approach to gun control. In fact a lot of these people did not really see any reason why there should be any guns in the country at all, why people would want to own firearms in the first place. I also could not support that particular point of view.

Certainly in my own constituency in northern Saskatchewan there are a lot of hunters who hunt for sport and hunt for food. I would not be representing my constituents if I subscribed to that point of view. Personally I do not subscribe to it either. As I mentioned, food hunting is a necessity of life for a lot of people in northern Saskatchewan and a lot of other northern and native communities in this country.

The figures indicate, as I have presented to the House before, that in a community such as Black Lake the cost of food to feed a family of four by the Canada food rules is $955 a month. Ninety per cent of the people in that community are unemployed and thus living on welfare. Welfare payments amount to $555 a month. That means they are $400 short of being able to feed their families in accordance with the Canada food rules. Obviously, although those people are hungry and unhealthy as was shown on *The Journal* just the other night, they are not starving. That is a result of the fact that many of them hunt and fish and pursue traditional livelihoods for a living. It is not just a tradition. It is an absolute necessity for a lot of people. Firearms are a necessity in providing food for many of the families in my constituency.

Second, there are a lot of rural users of firearms who require them for things like pest control or a humane method of doing away with animals that are sick. I grew up on a farm myself. I still pursue farming from time to time. There was always a necessity for a .22 on the farm for shooting skunks under granaries or putting down animals that are in pain. This is a legitimate use which certainly has nothing to do with criminal or frivolous uses. It is a necessity in those kinds of circumstances. That is a legitimate use for firearms.

As well, I am not going to say that people who hunt for sport are not legitimately using firearms because I believe they are. I think it is a legitimate sport. Certainly a lot of the tourism in my constituency is based on the sport of hunting. Many of our tourist operators, many of our communities would be much poorer if it were not for that possibility. Therefore I also rejected the arguments

of people who said there is no need for firearms, no legitimate use for firearms in our communities.

The people I had the hardest time responding to were those who were concerned about specific aspects of this legislation, particularly some of the technical aspects of the legislation. A lot of these people intervened to say that while they did not take one extreme view or the other they felt that we had to be a lot tougher on crimes involving weapons and firearms and much tougher in general with people who own firearms and are known to be violent offenders because of the records they have had in the past.

There were a number of amendments before us that addressed the whole question of violent crime and keeping weapons out of the hands of violent people. I supported those amendments, and I am very disappointed that more of them did not pass and become incorporated into this legislation.

I am also concerned that this legislation probably in no way deals with the situation in my home community of Prince Albert which had to do with the shooting of an Indian gentleman by the name of Leo Lachance, I believe it was last January, by the leader of the Aryan Nations in Saskatchewan, a man by the name of Carney Nerland. What appalled me in that case as much as anything was the fact that Carney Nerland had been allowed to operate a firearms shop, a gun shop, quite openly in spite of the fact that he was openly identified and known to the authorities, to police forces and so on, as being involved with the Aryan Nations, a group which preached hatred and violence toward particular minority groups. This gentleman was allowed to run a gun shop in our country. He shot an Indian gentleman in that gun shop and this whole issue has never been properly dealt with. I fear that there is nothing in this legislation that would help deal with it either.

As well, there were a considerable number of concerns expressed about technical aspects of this bill. I guess the reason I ended up supporting the bill is because although there are still a lot of technical problems left in the bill, I do believe that a fair number of those have been addressed. I would like to outline a few of them.

First of all, when it comes to the FAC certificate, there is a requirement that there needs to be a course or a test. However, it is possible to waive that test in specific circumstances, especially in northern isolated areas when for logistical reasons it is not possible for an individual to take that test for reason of language or distance, or whatever, which makes it possible for a lot of those hunters to have their competence vouched for rather than have to take a particular test. I think that is an improvement.

A second improvement was that people were concerned that it was strictly a regulatory decision-making process that would deal with the final aspects of this bill. I think there have been some parliamentary controls built into this bill that improve it somewhat in that area. Although I am not entirely satisfied with that, I think we have made some improvements.

There has also been an exemption from the proposal to ban large capacity magazines for competition shooters. I think that is only fair.

As well, there were a lot of concerns expressed about a designation of prohibited devices when it came to magazines. A lot of people said that was too broadly defined. Under the revised legislation it says "parts components, accessories and ammunition". I think that is an improvement.

At the committee stage, as well, there was a proposal made which was accepted, to have the fee for FAC renewals reduced from $50 to $25. For a lot of these people who hunt for food and do not have very much money, that is an improvement. As well, the 28-day cooling off period is not going to apply to renewals.

The seventh improvement was that there is an option to waive the photograph requirement on the FACs. Again that posed a lot of practical difficulties for people who might have to fly a thousand miles in order to find a photographer to take their picture.

So we end up in a situation where the kind of weapons that are principally used by hunters in my constituency. There is no magazine limit on 22 rim fire rifles. There is no magazine limit for bolt pump or lever action firearms and the old faithful, the Empire, is still a legal weapon.

Because of some of these changes that were made, I ended up supporting this bill. Certainly, I still have some qualms about it, some reservations. I think we should have dealt with the question of violent crime more directly. However, a lot of people put a lot of hard work into this. I think it is an improved bill as a result of that,

and I think those improvements are good enough that people like myself who represent a lot of hunters and people in rural areas can still vote for this bill in good conscience, knowing that we represented our constituents effectively because there were significant changes made in the bill to reflect their concerns.

• (2010)

[*Translation*]

Mrs. Pierrette Venne (Saint-Hubert): Mr. Speaker, this debate on Bill C-17 is finally drawing to an end. I think it is about time, because we are all, if not tired of hearing about it, at least all talked out.

I want to say, first of all, that I sat on the legislative committee considering Bill C-80, the predecessor of Bill C-17, which also dealt with firearms. I was the vice-chair of that committee. I think that fact was not well known because some were not too pleased to see me there in that capacity, in view of the fact that—there were surely many reasons, but this was certainly one of them—I am a woman, and normally women do not meddle in firearms. In any case, we are not used to see women involved in such issues. I was there because of my background or, so to speak, of my legal expertise. Having studied law, I could determine whether the amendments were in order and could correct, if I may use the terms, the Criminal Code. So, I had two valid reasons for being there.

But I do not think that my presence was appreciated, as evidenced by the fact that the first time the chairman, had to leave the chair, he refused to let me take his place. He actually asked one of his male colleagues to fill in for him. I was shocked and appalled to see that although I was the vice-chair, I was not called upon to substitute for him in his absence. I made it quite clear to him, in my own feminine way, that this was not the thing to do, at least as I saw it, when there was a vice-chair present.

I was interested in the issue because I go hunting. So, I am of course interested in firearms. As I said, I has many reasons to be there. Now, I would like to come to the reasons that are more peculiar to women. I think this was kind of brushed to the side, because women are often called sentimental and emotional and because there was no reason to make this debate passionate. Quite the contrary, I think this aspect should have been emphasized. Unfortunately we have once again stuck to the rules made by males, who were in the majority on this committee.

I would like to quote a few statistics regarding firearms. I know that statistics are always a little boring, but I think that they are necessary in this context. Let us begin with conjugal violence and firearms: between 1979 and 1988, 42 per cent of the women killed by their partners were shot; in 1989, it was 46 per cent. Firearms are used in 35 per cent of the murders committed within the family; on average, a woman is killed every five days in Canada.

In 1989, 74 women, or 30 per cent of all women who were murdered, were shot to death. Most women who are killed are shot with unrestricted weapons like hunting rifles. Between 1980 and 1989, 464 women were killed by gunfire; this is 72 per cent of all women murdered. I think that all those statistics are quite disturbing.

I would like to go on but not give you statistics, because as I said, I know that it is boring, but these things should still be mentioned. It must also be said that we received quite a bit of mail from people who were for stricter gun control. For example, the Community Health Department of the Montreal General Hospital, in co-operation with the Community Health Department of the Centre hospitalier de Rimouski, sent us some documentation and asked us to remove subsection 106(10) of the Criminal Code, which reads as follows:

> No local registrar of firearms, firearms officer or other person shall require as information, to be submitted by an applicant for a firearms acquisition certificate or permit, details concerning the makes or serial numbers of shotguns or rifles of a type, kind or design commonly used in Canada for hunting or sporting purposes.

On that point, the doctors at these community health departments remark that 85 per cent of the deaths due to firearms in Canada are caused by shotguns or hunting rifles. We ask whose interest is at stake and who is being protected. It is certainly not in the interest of public health.

I would mention that people wrote to us, asking us to support them and, in many cases, to improve Bill C-17. Among other things, they suggested a motion, which I put forward but which was ruled out of order by the chairman. This motion asked that a firearms acquisition certificate be required for buying ammunition. In other words, this famous firearms acqusition certificate would

always have to be shown when buying ammunition. Unfortunately the motion was ruled out of order.

We also called for the registration of all firearms. Several people have spoken about it. Here again, this motion was ruled out of order by the chairman because it was said to go beyond the scope of the bill.

Another motion that was rejected would have required those whose firearms were lost or stolen to report it to the local police. This amendment was also rejected by the chair.

All this to say that all along, we tried to improve Bill C-17. We have not succeeded completely, but I think that our efforts were not totally in vain. One only has to see where we started from. Bill C-80, the present Criminal Code, allows a 16-year-old to obtain a firearms acquisition certificate. In Bill C-17 we first improved that provision by saying that, from now on, the minimum age would still be 16 years but that parental consent would be required. Now, the minimum age is 18. That is certainly a real improvement. There have been several others but, as I said, we were not always successful.

I would like to conclude by saying that we will certainly vote in favour of this bill because we feel it is a step in the right direction.

• (2020)

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, I am very pleased to have a few minutes, as the member representing the riding of Outremont where this terrible tragedy occurred, to participate in this debate.

As I just said, this tragedy occurred in the riding of Outremont. I taught at the Ecole Polytechnique where I gave courses on human relations and psychology. It may have seemed, on the surface, that I was not immediately involved in the debate. I thought that so far, this issue belonged to those who had been directly involved. Today marks the end of a long process.

We all know that perfection does not exist in this world, and as the famous French writer La Fontaine said, we cannot please everybody at the same time. This is not an excuse or an attempt to dodge the issue. And I fully intend to get into the specifics of this bill. However, I think that first of all, we should realize that we cannot achieve perfection immediately.

Very briefly, the sequence of events was as follows: On December 6, 1989, Marc Lépine took a gun and went to the Ecole Polytechnique. Twenty-eight people were hit. Twenty-eight people were shot within a matter of minutes. Fourteen were killed. Ever since that day, students, staff and graduates of the school have made an extraordinary contribution to the debate on gun control in Canada.

And it is a pleasure and a privilege to have this opportunity to thank all these people who made Canadians take a long hard look at this fundamental issue, in a society that is seeking a new identity. Again, on behalf of my colleagues, I wish to thank the students, teaching staff and graduates of the Ecole Polytechnique who supported this action and made a truly outstanding contribution. They came here to testify before the committee and they read their briefs. They met members of Parliament. They met owners of firearms. They organized petitions, and their contribution, in a difficult climate, has enriched the legislation before the House and contributed to the awareness of all Canadians.

This legislation will not undo what happened at the Ecole Polytechnique, but it will substantially and indubitably limit the recurrence of such tragic incidents in the kind of society we have today. It will make it far more difficult to acquire firearms. It will help the police, the constabulary, by allowing them to screen prospective owners of firearms. It will make it possible to prohibit persons with a tendency towards violent behaviour from having access to these weapons which are not evil as such but can easily become dangerous in the hands of a person whose personality tends towards extreme violent behaviour. It will also give police more authority and more opportunities to confiscate firearms found in homes where there are instances of family violence or violence among groups of people.

What is even more important, is that there will be strict controls on high-performance firearms of the type used at the Ecole Polytechnique. The bill will restrict access to many weapons that Canadians might wish to

own. It will also allow the government to limit the use of firearms by restricting the use of cartridge magazines. There is a great deal to say but I only have two minutes left.

Finally, whose recommendations will we follow? Will the government listen to the gun lobby, which says that gun control does not work, that Bill C–17 is unfair, and so forth? The answer is clear. We say that gun control saves lives and that Bill C–17 is a great improvement on the existing law.

A few more points in conclusion: this bill, although not perfect, is more than a step in the right direction. Such important people in the community as the director of the Montreal Urban Community Police Department, the rector of the University of Quebec, the president of Concordia University, the president of the Ecole Polytechnique and a mother who is still going through a difficult period of mourning have supported this bill. They know that it is not perfect as they, and all of us, would like it to be. But it is a definite step in the right direction. Once the bill is passed, it will be possible to move forward on that basis to continue to protect our society.

• (2030)

The Acting Speaker (Mr. DeBlois): Five minutes for questions and comments. The hon. member for Longueuil.

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I would like to know whether the hon. member for Outremont, who just made an excellent speech, would agree that firearms registration should be mandatory. He did not mention it in his speech.

I think that registering firearms would be the least one could do and it would cost the government absolutely nothing, since the people who want to register their weapons would have to pay for it. In that way, even the government could make some money and at the same time keep track of exactly where firearms are located throughout the country.

Another point that I would like to raise is whether he would agree to register firearms for all applicants who know how to operate and handle them. We know that firearms are dangerous. Many people who own firearms do not even know how to use them. Why did the government not go a little further in its bill, knowing that it would not have cost it a penny more? On the contrary, it could even have made some money on it. That is my first question for him.

Second, as far as I am concerned, we should go quite a bit further. I think that in principle, individual citizens do not need firearms. Citizens should be completely forbidden to own firearms. I do not believe that it is really necessary in our society to have firearms. I do not have firearms, my family does not have firearms and one can live very happily without firearms. There are many other things one can do for fun and for sport.

That is only a brief comment, but I would like the hon. member to answer the two questions I asked him at the beginning.

Mr. Hogue: Mr. Speaker, I want to thank my colleague, or shall I say my former colleague and nevertheless friend from Longueuil, for his two interesting questions. He is still my friend, but he certainly is no longer my colleague. One day, he will see the light and, as silently and discreetly as some weapons, he will get back on the right track. I am telling him this tongue in cheek, but I am very serious.

This being said, I do not know whether if I should answer him as a psychologist or as a colleague but one thing is sure: I would hate, I just could not stand that the notion of profit be associated in any way with a bill as important as this one. It is about human lives, not about making money through controls and regulations.

I think I can appreciate the concern of the hon. member for Longueuil when he asked whether the government could make money with the registration of guns and rifles. I think this is too important an issue— It is a social concern. The whole of society is taken to task, not just individuals. I do not want to associate in any way financial gains or whatever economic consideration with such basic ones as psychological and social concerns.

As regards tests, I think they are really useful, but framework legislation cannot go into the smallest detail. We are faced with a social problem which is reflected in this bill. It is symptomatic of another problem that society must decide to tackle. Society must take a stand on this issue.

In his second question, our friend from Longueuil said that he does not own a gun and can get enjoyment from many other things besides guns.

I do not shoot either since I am not interested in firearms, but I would suggest that the hon. member for Longueuil have a talk with his colleague from Saint-Hubert, who told us about 15 minutes ago that she was a highly-skilled hunter and that she loved firearms. I will leave it up to the Bloc Quebecois members to try to get along with each other. Once again, there is total dissension among them, and once our colleague from Longueuil will—

The Acting Speaker (Mr. DeBlois): Order. Resuming debate, the hon. member for Calgary West has the floor for ten minutes.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, it is a pleasure this evening to speak after the hon. member for Outremont. There are two psychologists in this House. In French, the word *psychologue* is difficult to pronounce for an English speaking person. Those two psychologists are the hon. member for Outremont and myself. It is a treat to have the opportunity to make a speech immediately after the other psychologist.

[*English*]

I am going to say it in English in part because it is a whole lot easier for me and hopefully a whole lot more expressive and a whole lot more precise. It is appropriate perhaps to start in French and move to English because I got sort of submarined and sabotaged by some people from central Canada, some from Montreal and some from Toronto, who have a kind of stereotype of western Canadians and in particular people from Calgary. I would like the House and people watching to know that all six members of Parliament from the city of Calgary, Alberta have post-graduate education and three out of the six have doctorates. We do not have pointy heads and long tails. We are quite used to talking to each other and listening.

One of the things you can count on with a western Canadian is if he says you have a deal and he shakes your hand, you have got a deal. You can do the paperwork later and nobody is going to go back on it. That is not true of all the people in this Chamber. It is not true of all the people in Canada. It is not true of all the cultures in this country, but that is part of our culture: when you shake hands and you have a deal, you have got a deal.

I made a deal with myself not too long ago to use every opportunity in this Chamber that I thought was appropriate to talk for a minute or two about the press in very specific terms. I want to talk about the *Calgary Herald*, a nice local newspaper that has been around a long time. It wrote an editorial about me and what I was going to do in relationship to this piece of legislation based on a *Toronto Star* story, and it should know better.

I would like my constituents and everyone in the Chamber to know that those people never talked to me. They never asked me. Obviously they never read the committee hearings or anything I said about the subject matter at the committee hearings which are a matter of public record. Of course after 12 years in this Chamber that does not surprise me. That is the press in this country.

I spoke to a report yesterday about the constitutional committee. I said that if members of the committee did one thing wrong then tomorrow's newspapers and tonight's TV news would be totally on the thing they did wrong. If they did 99 things right we would never know it because they will not have a single word about anything they did right. Of course that is what happened this morning. There is another editorial in the *Ottawa Sun*.

Mr. Lapierre: Mr. Speaker, I wonder if we are now debating a bill about the press and the freedom of the press in this country or if we talking about a serious matter. I know the hon. member is on the defensive, but I would like order to be brought back to this House so that we could discuss the topic that is before us.

Mr. Hawkes: Mr. Speaker, I can guarantee you one thing, nobody in the press world of this country has read that bill with 39 amendments. I make that statement and challenge the entire press gallery to prove me wrong.

An hon. member: I will bet you are right.

Mr. Hawkes: Okay, you will bet I am right. The stories about this bill, the way it came into being, the way it was amended and the thrust of those amendments, are so terrible that Canadians out there have really very little idea of what this piece of legislation is about or most pieces of legislation that come through this Chamber.

I do not have a whole lot of time to speak. I would like to get a few thoughts about this bill out into the public domain and into the record of *Hansard* so that at least I can send it to my constituents.

The first myth that exists in the Press Gallery and in the minds of a lot of people in this country is that gun owners, those who belong to shooting clubs and those who hunt have no concern about gun safety. That is one of the biggest myths in this country. They have more concern about gun safety because their lives are at risk the minute they decide to store a gun in their home, the minute they go to a shooting range, the minute they go out and hunt. Clearly they are, if you listen to all the witnesses, absolutely the most knowledgeable group and the most concerned about gun safety.

• (2040)

That should never be mistaken by anybody. That is the group that we as parliamentarians and law makers must depend upon for help and advice if we get past the first part. If we were to say that guns will exist and people will have them then under what terms and conditions? The best piece of advise for safety will come from those with experience and knowledge about the subject matter. We should never forget that 10 years from now or 20 years from now.

They helped us a lot in making up those 39 amendments and I think there were two more or 41 amendments in total. All those amendments met one test by all members of the committee if they decided to vote for them—and I voted for every single one—they produce a somewhat safer world. They reduce to some extent, in some cases, the hassle for individuals that would not have been upheld by courts and should not be upheld by courts.

The notion of a warrantless search and seizure without cause is an absurd notion under our legal traditions. No court would uphold that kind of behaviour in the first place, but the bill in its drafting was not clear and now it is more clear than it was before. That is in there.

What did we have as an assignment? We had to have a piece of legislation that dealt with the issue of crooks. Drug dealers and robbers are perhaps the best words to describe the crooks. We had to have a piece of legislation at the same time that dealt with disturbed people, two kinds of disturbed people primarily: those who are suicidal or attempt suicide at some point and those who are into violence and in particular family violence, particular crimes of disturbances.

We had to deal with this piece of legislation as best we could with the notion of trying to reduce accidents. The kinds of accidents that occur are in hunting areas and in peoples' homes. Children get hold of a firearm and use it inappropriately. They do not understand it and there are accidents in the home. There are accidents from time to time in other kinds of shooting areas and in particular in the hands of those who use a firearm as a tool. Policemen use the firearm as a tool and are frequently involved in accidental use of those firearms. Perhaps one of the things we learned is that there may not be enough training for policemen.

The third thing we had to be concerned about is those who use a firearm as a tool. We had crooks, disturbed people, accident situations, and those who use a firearm as a tool. To design a piece of legislation under the Criminal Code that would do all of those things with the kind of sensitivity that was required was a challenge in itself immediately, but as we listened to witnesses it just grew.

The crack dealer in downtown Toronto has so little in common with the aboriginal person in northern Saskatchewan who has a gun in the home. How do we do that under the Criminal Code? The only possible answer in our system is in the utilization of a regulatory power. We looked at that. We have had that. There has been not some very sensitive uses of regulatory powers in lots of statutes.

What is the antidote to sensitivity and common sense? It has to be the notion that a regulation proposed by the bureaucracy would be reviewable by the elected people of the country. They could call knowledgeable witnesses to look at a regulation before cabinet could proceed to gazette it and it could start down the process to become law.

For the second time in Canadian history and perhaps in the clearest way ever the members of the committee invented a set of words to put that principle in this particular amendment to the Criminal Code. All the regulatory power that exists currently in the Criminal Code without the amendment, all of the new powers, forever after will have to come to Parliament first, to

both Houses, the Senate and the House of Commons, with whatever set of words people dream up for review.

If the whole examination of Bill C-80 and Bill C-17 has taught us something, it is that if you show the exact wording to knowledgeable people in Canada they will comment about it. You are well advised to listen to those comments because there is an awful lot of common sense in an awful lot of what they have to say.

The protection for firearms' owners and users of the future in terms of this statute lies primarily in that provision, which allows them to come before Parliament in the future and argue about whether a particular proposition is right or not.

The long-term solution lies in training. In five or ten years we can get a complete licensing system. It makes sense to those who own and use firearms that training courses be rigid and that safety aspects be very well vetted and very firm.

People out there who are listening tonight need to write their provincial attorneys general and their provincial members and tell people to enforce the criminal law. That is an administration of justice. The power is there. However if they plea bargain their way in the prosecutor's office it does not do anybody any good.

I would like to encourage everybody listening who cares about this issue to write their provincial attorneys general who are involved in the administration of the law, pound on their heads and get them to exercise those provisions which already exist.

[*Translation*]

Hon. Jean Lapierre (Shefford): Mr. Speaker, I did not find the speech by the hon. member who was assigned an arm-twisting role throughout the process very edifying, and when I hear the government Whip say that the committees had plenty of leeway and freedom, I think we know that the main artisan of the arm-twisting that took place before this committee, the bully acting on behalf of the government, was the hon. member who just spoke.

My question is very simple: The hon. member referred to the principles that guided the committee's proceedings. With respect, I doubt any principles were involved. I think the committee's proceedings were guided by the lobbying that went on, and especially by the government's attitude. I would like to ask the hon. member why the government did not decide to establish a general rule and subsequently make exceptions, instead of doing it the other way round? It looks like the government's position on gun control was determined by events, and we could say that they very reluctantly came up with a bill, but instead of defining the general principle, it seems they preferred the American approach. In fact, in this government, they are Americans at heart but do not know it.

Into the last stretch, under pressure from the general public, timidly and reluctantly, they managed to come up with a wishy-washy bill, a bill that has no teeth, and I ask the Whip whether he doesn't feel personally responsible for the fact that today, we have before the House legislation that will have to be reviewed every time there is an accident or a vicious murder.

Mr. Hawkes: Mr. Speaker, we are both Canadians and proud of it.

[*English*]

That is what exists in this party. You asked the question.

[*Translation*]

The hon. member wants an explanation, but he is an expert. However, he never went to committee meetings on C-17 or C-80. A lot of explanations were given and many witnesses, many Canadians appeared before the committees. The hon. member never attended these meetings, but nevertheless he is an expert.

I think the hon. member is way off the mark most of the time.

• (2050)

[*English*]

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I have a short comment and question for the hon. member.

My comment is that if I were him I would be very careful in going after the press in his hometown, even though—

Mr. Hawkes: It takes courage.

Mr. Waddell: I know the member has a lot of power there. He may want to call them before the bar next week or something like that if he really does not like them.

I want to ask him this seriously, and it is a matter of debate tonight. We heard from the Reform Party, which we are told is strong in the neck of the woods the hon. member comes from, Alberta, that it was unable to take a position at its convention on gun control and in fact tabled a motion on gun control. Therefore the Reform Party has no official position on gun control. We heard from the Reform Party member tonight. She was supportive of the police, supportive of Mrs. Edward. The police and Mrs. Edward were in favour of the bill and she is against the bill.

I do not know whether the Reform Party is trying to walk on both sides of the street at the same time. I think it is pretty hypocritical, frankly.

Anyway, I want to ask the member—

The Acting Speaker (Mr. DeBlois): Very briefly. There are only 30 seconds left in the question period.

Mr. Waddell: I just want to ask the member if he would comment on how his position in Calgary differs from the position of the Reform Party.

Mr. Hawkes: Mr. Speaker, the party is learning to walk and will be guided by referenda. In terms of gun control that means that the people in Toronto and Montreal will decide the future of gun control in this country. The problem with the whole referendum notion is that those of us in the regions of this country, outside the main population centres, get swamped by the centre of the country. If we live in a rural area we get killed by city folks. There is a basic problem with the whole referendum idea.

The other thing that distinguishes us is that on this side of the House, as you may have noticed in the votes and in the arguments and in the questioning of the people who came before committee, we argue our perspectives persuasively and vigorously. We are not afraid to disagree with the Whip or anybody else and are not afraid to stand up in this Chamber and take a different point of view from time to time. We are not all peas in a pod committed to doing what our party tells us. We do what our hearts and our minds and our examination tell us and that is a good feature.

Mr. Bob Kilger (Stormont—Dundas): Mr. Speaker, as a member of Legislative Committee H which studied Bill C–17, I welcome this opportunity to participate in the debate on third reading of this legislation.

Our committee heard testimony from some 25 witnesses, including the Minister of Justice. We received numerous briefs and letters from various groups, organizations and individual Canadians. As well, like every member of this House, I have personally received countless correspondence from across the country concerning both Bill C–17 and the entire issue of gun control.

From my experience on the committee and from what I have heard and read a common conclusion can be drawn. That is whether or not one supports separate gun control measures or conversely that the criminal justice system has to make the effort to deal more severely with those who commit violent acts involving firearms, the underlying issue remains one of public safety.

Certainly the argument that guns do not kill people, people kill people is far too simplistic. Obviously as a society we have to examine all the aspects of the problem before us and proceed to find acceptable and practical solutions.

As I did not sit on the special committee that examined Bill C–80, the precursor of Bill C–17, I went into our committee's deliberations with an open and unbiased mind. Obviously, like every Canadian, I was not entirely unfamiliar with the issue of gun control. However I did not wish to examine the issue on the basis of personally supporting one viewpoint about gun control over another. I did however remain conscious of two fundamental aspects in our society, aspects which I believe every Canadian is interested in. The first is one's own personal safety, Canadians want to live in a country that is safe for themselves, their loved ones, friends and neighbours.

The safety and protection of any society is a paramount concern for the members of that society.

The other item concerns individual freedom which includes, among other things, the ability to carry out one's personal life without undue intrusion by the state or other authority. Therefore, with Bill C–17, two considerations have to be given. Does the bill offer protection for the public and would it provide gun control measures to be implemented that still permit legitimate firearm users to pursue their livelihoods, recreational activities or any other legitimate pursuit without undue restrictions being placed upon them? I

believe this legislation is a positive step in meeting these two considerations.

This of course does not mean that I can stand in my place today and state that Bill C–17 is the panacea for the problems improper use of firearms create. The bill will not stop violent gun related crimes and the taking of human life. Bill C–17, in reality, is a beginning. Some say the bill is not strong enough to tackle the serious problem it tries to address. Others say it is too strong, that it is an infringement on legitimate gun users.

I wish to believe that the bill should be viewed as a positive step in the right direction.

No one should be under the impression that Bill C–17 will prevent a future massacre as Canadians witnessed in horror on that fateful night of December 6, 1989. It will not. However, I believe the bill will put in place a series of obstacles that may well prevent future tragedies from occurring. These obstacles may go a long way to reduce the lethal potential which firearms in the wrong hands have.

Bill C–17 should be viewed as having measures directed toward controlling the escalation of firearm related violence. It will not eliminate the all too many acts of violence and death we see occurring throughout our country. Statistics show that in Canada today, approximately 1,400 people are killed by firearms, 1,100 of these deaths involve suicide. The remaining 300 were homicides, usually the result of arguments and normally involving hunting rifles and shotguns.

One may suggest that the number of fatalities could have been reduced if firearms were not so easily obtainable. Others may argue that alternative means would have been found to make up for the lack of a gun. Nonetheless, if we permit the continued proliferation of firearms and the ease by which they can be obtained and choose to simply stand idly by, then we will never know just how many lives could have been saved.

Almost one million Canadians have permits to own guns. These permits or firearm acquisition certificates enable the holder to purchase an unlimited number of firearms. In 1990, some 40,000 FACs were issued in Canada. Statistics indicate that the known total of restricted weapons, such as hand guns was 981,000. Another 5,000 fully automatic guns are owned by gun collectors and roughly 6 million shotguns and rifles are out there. The shotguns and rifles do not have to be registered. This is quite an amount of fire power for a country of 26 million people.

In addition, what about the number of illegal weapons in circulation and the countless other weapons that are unregistered that we do not know about. I believe many Canadians are wondering why our society needs so many firearms.

Given the number of firearms in Canada, I hope that the Minister of Justice accomplishes what she first set out to do with Bill C–80. On June 26, 1990, the Minister of Justice presented her gun control proposals to Parliament in the form of Bill C–80. At the time she stated that the bill would, in her own words, and I quote: "Reduce accidental and criminal misuse of guns. That it will keep guns out of the hands of dangerous persons and encourage and ensure responsible gun ownership and use".

While I am sure that the minister shares the same sentiments with regard to the proposals contained in Bill C–17, I sincerely hope, as I believe a majority of Canadians do likewise, that this bill is able to reach such desirable goals.

When the Minister of Justice appeared before our committee, she alluded to the point that there were concerns in Canada today about the proliferation of high–powered firearms. She said that Bill C–17 would address this concern by making three basic changes to the existing law.

The first change is firearms which have been converted from fully automatic to semi–automatic would become prohibited.

Second, certain paramilitary firearms will either become prohibited or restricted weapons by way of Orders in Council.

Finally, the minister said that Bill C–17 will place absolute limits on the fire power of semi–automatic firearms by limiting the capacity of cartridge magazines. This would be accomplished through regulations introduced after Bill C–17 is passed.

• (2100)

There are other positive elements in Bill C–17 that I would like to comment upon at this time. For example the bill will tighten up the screening process of FAC applicants. The minimum age for obtaining a FAC will be raised from 16 to 18 years of age. There will however be an exemption for youths who require a firearm for sustenance purposes.

A mandatory 28–day waiting period will come into being which will cover the time an applicant applies for an FAC to when it is granted. It is hoped that this so–called cooling off period will prevent individuals from obtaining a firearm on the spur of the moment. In addition, every application for an FAC must have a guarantee from two references who have known the applicant for three years. The references would be protected from civil liability but would be criminally liable if they knowingly made a false statement.

A photograph of the FAC holder will now appear on the FAC. This would permit only the individual whose photograph appears on the FAC to purchase a firearm. There is also a fundamental change in existing rules whereby applicants who are refused an FAC by a firearms officer will now have the onus placed upon them to prove wrongful refusal. Currently the firearms officer has to justify why the FAC application was refused.

One of the amendments I put forward at the committee stage of this bill that was adopted and appears in the bill before us concerns the issue of community checks. I am grateful to members of the committee for their support on this amendment which will enable a firearms officer who has received an application for an FAC to conduct an investigation. This may consist of interviews with the applicant's neighbours, community, social worker, spouse, dependents or whoever in the opinion of the firearms officer may provide information pertaining to whether the applicant has a history of violent behaviour including violence in the home.

I believe this provision will further assist the firearms officer in his investigations. It will also complement the other proposals relating to the screening process. I also hope it will have some impact on the very serious issue of family violence and the often tragic consequences that occur when domestic disputes and firearms come together.

As is currently provided for in statute, FAC applicants will still be required to pass a course or test in the safe handling and use of firearms or be certified as competent by a local firearms officer.

Bill C–17 however will add a component on firearms law and responsibility to the course curriculum. There will be a provision that will allow a local firearms officer to certify an applicant by an alternative means. Obviously there may be instances where it is either unnecessary or not practical for an FAC applicant to write a formal exam and this is understandable. The criteria for direct certification would be limited by regulation.

I would like to stress at this point that there was considerable support indicated during our committee's hearings for mandatory firearms training and competency tests. A number of witnesses both supportive and opposed to Bill C–17 found common ground in the desire that steps be taken by the federal and provincial governments to create some form of national firearms training system.

At the very least it was hoped that training and course requirements would be sufficiently designed at a national level to ensure the safe use and handling of firearms and knowledge of all facets of firearms legislation. I believe this is a credible recommendation. I hope to see the federal and provincial governments take steps in the immediate future to bring such a system about.

We all of course recognize once again the administrative problems as well as the financial implications involved in trying to establish such a system. Nonetheless, there can be no doubt of the benefits that would be gained from its creation.

In order to finance the new FAC system, fees for FACs will be raised. This will help offset the current $3 million deficit of the FAC system. A fee of $50 for first time applicants and $25 for renewals is being considered. The current fee for an FAC is $10.

Given that an attempt is being made to have the FAC system pay for itself the provincial and federal governments in consultation with the firearms community and other interested parties may wish to enter into consultations on ways revenues could be generated to help cover the cost of implementing a national firearms training system.

Discussions should also be held with the parties I have just mentioned in relation to the type of training curriculum that could be implemented in order to meet the objectives of a viable and acceptable national firearms training program.

Aside from the new rules pertaining to the FAC, Bill C–17 also addresses by way of the regulation process the strengthening of safe storage requirements for firearms. As in the case of other regulatory matters, the measures concerning safe storage are not as yet known. I might add that our committee was hampered somewhat by the lack of information we had concerning the nature of future regulations. This was indeed unfortunate as a number of these regulations deal with very important subjects. One could argue that if more information on the regulations was provided perhaps some of the fears and uncertainties from the firearms community and supporters of tougher gun control laws could have been avoided. I hope the Minister of Justice and the Advisory Council on Firearms, which is the body mandated with providing regulation recommendations to the minister, will soon announce the nature of these important regulations both to Parliament and to all Canadians.

Another issue of concern is the so–called grandfathering clause. The clause allows anyone who currently owns a weapon that would become banned under this legislation, such as a converted fully automatic weapon, military or paramilitary, to retain possession if it is registered by October 1, 1992 and the owner becomes a genuine gun collector. While it is uncertain as to how many firearms this involves, the Canadian Bar Association has suggested that it may include some 50,000 firearms. The government may have to give this issue more consideration. Perhaps they may wish to implement some form of compensatory program which would give an incentive to owners of these weapons to turn them in rather than keep them in their possession.

While Bill C–17 does provide a definition of genuine gun collectors, these collectors will however be permitted to keep firearms that the bill proposes to ban.

In relation to safe storage requirements, I have alluded earlier to the fact that regulations will be devised for the safe storage of firearms unaccounted for in Canada today. Therefore the government must ensure that regulations for safe storage are indeed adequate. We must curtail the opportunities presented to unauthorized individuals receiving firearms that were not properly secured by the owners. As well, an element of safety is involved here inasmuch as tragic accidental deaths have occurred from improper storage procedures of firearms. This also includes police firearms as tragically portrayed to the committee by Mr. John Bickerstaff who lost his 18 year old son, Lee, to an accident that involved a police officer's sidearm.

There are other tragic cases we hear about too often and many involve young children. There must be proper safe storage regulations implemented as soon as possible.

The definition of a genuine gun collector in Bill C–17 is another issue that has caused some concern. A genuine gun collector is not presently defined by statute, however only genuine gun collectors may register firearms under a grandfather clause where restricted weapons are part of a collection.

Bill C–17 will provide a definition for genuine gun collector. It will be anyone who has or seeks to acquire one or more related firearms and can demonstrate knowledge of the firearm involved while satisfying any regulatory requirement for safe storage or record keeping. Regulations concerning safe storage and the record keeping requirements will be forthcoming.

Much has also been said about the need for a national firearm registration system for Canada. I agree that a concerted effort must be made to establish such a system. Obviously the logistical and financial implications are considerable. There may also be federal–provincial considerations to be ironed out so that the most viable system possible can be developed. My colleague, the member for Cape Breton—The Sydneys proposed an amendment to Bill C–17 which I believe was certainly worthy of serious consideration. I would hope that the government would re–examine this important issue and work toward the creation of a national registry for firearms. The system would obviously start by registering firearms from the inception onwards. This would be the most practical. I believe a national firearms registry is feasible if the right course of action is followed. This system would be of considerable benefit to our police forces and would add another measure of security for the entire population.

Another issue which I believe could be improved upon concerns the sale of ammunition. There are certain types of ammunition available that have more than the average lethal capability such as the so-called KWT "super slug". This bullet, according to the testimony provided to our committee by the Canadian Association of Chiefs of Police, fits conveniently into most standard handguns. Its teflon coating and composition is such that it can penetrate automobile engines and bulletproof vests. This type of ammunition, if not banned for sale in Canada altogether should, as the Canadian Association of Chiefs of Police suggests, be included in the definition of prohibited weapons. As well a number of witnesses called for controls to be implemented on the sale of ammunition. One often heard suggestion was that an FAC be required for the purchase of ammunition. I hope the government will give consideration to implementing such a provision in the regulations.

Another point I would like to comment upon concerns the mandatory reporting of all lost or stolen firearms to the police. I believe such a requirement would be beneficial to the efforts being undertaken by our police forces. It would assist them in knowing what is out on the streets and also indicate how successful safe storage requirements are and where improvements can be made. According to Police Chief Flanagan of the Ottawa Police Force, guns used in the commission of crimes are for the most part stolen. These guns were originally legal guns or were in legal hands. For various reasons these firearms, whether because of unsafe storage or otherwise, fell into the hands of criminals. Chief Flanagan went on to say that there have been large scale thefts where up to 100 firearms have been stolen with the potential end result being that 100 criminals have firearms. His experience has shown that the problem is stolen firearms rather than illegally imported ones.

• (2110)

During his 40 year career in criminal investigations he could not remember a case where an illegally imported firearm was seized. The firearm is usually stolen from some place. If thefts are required to be reported, the police may find something to go on to locate the thief and recover the firearm. There are obviously numerous cases where stolen or mislaid firearms go completely unreported and this has to be corrected.

A number of individuals and organizations who have been before our committee and those who wrote to me personally on the subject of gun control, raised the need for stronger legal deterrents for those who use firearms in the commission of criminal acts. Without getting into a lengthy discourse on the merits or failings within our criminal justice system or the adequacy of legal sanctions I would like to make a few comments.

Bill C-17 introduces changes to the current sentences for part III Criminal Code offences which concern firearms. Presently maximum sentences are set at five years. Bill C-17 will increase the maximum sentences for certain offences to 10 years. These include the possession of a prohibited weapon, possession of a firearm while prohibited and the importation, purchasing or selling of a prohibited weapon. While I would like to leave the debate over harsher penalties to judicial experts, criminologists and the government to re-evaluate, many Canadians feel that the legal community and the government have to seriously examine the issue of firearm offences and sentencing and determine if sufficient deterrents are indeed in place to reduce firearm related criminal acts.

I wish to take this opportunity to thank the members of the committee of which I had the privilege to be a part. I particularly want to thank the chairman and the member from Lethbridge. I believe the amendments our committee put forward strengthened Bill C-17. I hope the government will take additional steps to further enhance this bill and thereby improve the safety and security of all Canadians.

The issue of gun control is a very controversial one. I hope that this bill and the regulations which are to follow will provide a beginning to provide Canadians with gun control legislation that is both reasonable and effective. More important, I hope that this bill will indeed reduce the tragic loss of life that firearms have caused and that it will improve the safe use of firearms.

In conclusion, I believe responsible gun owners and all Canadians realize the value gained in the past with the introduction of gun control measures. The creation of the FAC system and the banning of fully automatic weapons contribute to a safer Canada. In the final analysis both the firearms community and advocates for

tougher gun laws want nothing less for our country and its citizens.

[*Translation*]

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, I want to congratulate the hon. member for Stormont—Dundas. I would prefer to speak French exclusively, but I do not speak it very well.

[*English*]

But I would like to thank him for a very thoughtful and worth-while contribution to this debate. I would like to make a brief comment and raise a question. I will do it as quickly as I possibly can. I just received a letter from Mr. Bill Snowden of Hannon, Ontario in the Mount Hope area of my riding. The letter reads: "I am writing to you as a member of your riding and someone who has voted Conservative for the last 20 years. I have been a hunter and a gun owner for 27 years. As such I feel that recent legislation introduced by Justice Minister Kim Campbell, namely Bill C-17 does not represent my best interests. Although there are some genuine improvements in this bill, it retains many of the flaws which caused its predecessor, Bill C-80, to be rejected by your own Conservative caucus. If you choose to support this bill I will have no choice but to withdraw my support of your party in the next election and I am sure many of the seven to eight million law-abiding firearm owners in the country will'.

The letter goes on: "It is the kind of thing that we are getting from the rural areas and, as the Whip of our party says, we get killed by the city folks if we talk about anything less than what Bill C-17 proposes. In fact the city folks want something much, much stronger".

I am confronted by an conundrum here. It is a lose, lose situation for me. I do not know in my 13 and a half going on 14 years in the House of Commons how on earth I am going to vote on this one. I am alerting the Whip that I may not be able to vote for Bill C-17.

How do you reconcile the profound differences among the gun club owners, the gun owners, the responsible people and those in the cities, towns and villages who are fearful of those who own guns and use them illegally and in an horrific way against Canadian society? That is the question I put to the hon. member.

[*Translation*]

Mr. Kilger: Mr. Speaker, I want to thank the hon. member for Hamilton—Wentworth for his comments, and I must say that the problem he raised has been shared by many members in this House ever since the tabling of a bill dealing with this very controversial subject which affects all Canadians.

[*English*]

I would say to the member that in committee particularly I was obviously struck by the testimony of individuals and organizations from across the country that related to the situation. I think in some cases they were raising the issue of urban-rural, but I agree in this instance to a great extent with the minister that there has to be some consistency in implementing federal gun legislation.

I do not know how we could ever devise a piece of legislation that would address specifically just the concerns of large metropolitan areas and then a separate bill that would address the rural concerns.

What is creating a lot of the anxieties at this point are the regulations. Not knowing what those regulations are going to be is creating a great deal of anxiety for the groups at both ends of this debate.

I know in my riding there is a large rural area and a small urban area of approximately 50,000 people in Cornwall. I have had to wrestle with the same concerns the member for Hamilton—Wentworth has to deal with, as have all other members on both sides of the House. This is not an issue that has been easy for any member. I think we have all been the recipients of the type of correspondence which was just related to the House.

However, by the same token we are called upon in this instance as we are in any other to make a final decision, having examined all of the evidence, weighing all the evidence, and taking into consideration all the interests in presenting what is in my estimation a bill, a beginning or a part of the solution of a far larger problem.

The responsible gun owners will remain the responsible gun owners. We count on their sense of responsibility. They want to continue to enjoy their sport. I do not think we are going to impede their ability to enjoy that

sport, whether it is hunting, marksmanship or what it might be.

In the end the bill does not please anyone on one hand, but on the other hand it is a step in the right direction. For that reason I will support it tomorrow.

• (2120)

[*Translation*]

Mr. Nic Leblanc (Longueuil): Mr. Speaker, I just want to congratulate the hon. member on his excellent speech. He spoke at length on the government's fear of going further in this bill. He particularly talked about registration, and I quite agree with him that absolutely every gun or firearm should be registered. Not only that, but if the arms merchant does not comply with this regulation, he could lose his licence to sell arms.

I would like to ask him whether he agrees with that. Did he work hard enough, since he was on that committee, to make the government loosen up a little? Of course, we know that the government was greatly influenced by the gun dealers' lobby. We know that very well.

An hon. member: It's sad.

Mr. Leblanc (Longueuil): It is quite sad because we know very well that weapons are not toys and that they absolutely must be properly controlled. So would he agree that not only must weapons be registered but that if the dealers do not comply with this rule, they simply lose their licence?

Mr. Kilger: Mr. Speaker, I thank my colleague, the hon. member for Longueuil, for his comment and question. Certainly, I totally agree that we need a registration system, the sooner the better. Once it is in place, if someone like a dealer would fail to comply with the regulations, we would have to see then. I agree.

I also want to take a moment to thank and particularly congratulate his colleague, the hon. member for Saint-Hubert, who participated very actively on the committee and made a very positive contribution.

I would like to say the same perhaps about the hon. member for Shefford who just now wanted to address the House on the same bill, even though he was not on the committee. Very likely he was preoccupied with other business. I will give him the benefit.

I thank the hon. member for Longueuil for his comment.

Mr. Lapierre: Point of order, Mr. Speaker.

The Acting Speaker (Mr. DeBlois): The hon. member for Shefford on a point of order.

Mr. Lapierre: Mr. Speaker, I was very impressed with the hon. member for Stormont—Dundas and his speech, but I see a problem here tonight. It is a tradition in this House that for such a well prepared speech, the Minister of Justice should have had the decency to come and listen to it.

Mr. Speaker, could you help me remember whether tradition requires a government minister to be in the House?

The Acting Speaker (Mr. DeBlois): I know that it is a tradition not to point out the presence or absence of another member in the House.

[*English*]

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, earlier today there were 13 individuals, 12 plus myself, who felt it was their duty to stand in this House and vote against a bill.

I want to make it clear at the start of my comments that not one of those individuals, including myself, is against gun control or law and order. We are against this proposed legislation.

If you listen to some in this Chamber or some across the country, you would think that the 13 of us probably either have horns, are rednecks, or live in the stone age.

Let us make it clear that none of that, not one bit, is true.

We are talking about a bill that is going to be voted through this House tomorrow and will become law and in it there are quite frankly no regulations. As a member of Parliament from rural Canada, the riding of Timiskaming in northern Ontario, I am not prepared tonight or tomorrow to sign a blank cheque without knowing what the regulations are.

I say that for a very good reason. I have heard on numerous occasions the critic for the NDP who has said that this bill does not go far enough. That troubles me. It indicates to me that the member from Vancouver is really not concerned about fairness. He wants to take

away opportunity from individuals across this country, in fact the people in the regions who have developed this country. He is prepared to take away a right of these people. I am not prepared tonight or tomorrow morning to allow that to happen.

When reviewing this piece of legislation earlier we heard about some increase in sentencing on the criminal side. It has not gone far enough. Why are we punishing law abiding citizens with this piece of legislation when we are not sentencing in terms of violent crimes involving guns? What about the incidents of violence and the cross-border black market? What about the efficiency with which we are dealing with this bill and stiffer penalties?

It is fine for us to say that we will be looking at a maximum of 10 years. Who is to say within the justice system today that someone will end up getting two years on a plea bargain? Yet a law abiding citizen has to go by this. Violent crimes have not been dealt with in this bill in the manner they should have been.

I want to deal with a couple of other areas. It is fine for us to say that $50 is not too much. With the salaries around this place and this being central Canada, $50 may not sound like a lot of money. However, let me tell the House that in my constituency and many other constituencies across this country $50 means putting food on the table.

People ask: "How much is a gun?" There are a lot of people out there who have not bought a gun for many years and have no plans to buy a gun. Under this legislation, before they can buy a gun to go out on a trap line to hunt for food for their family, they are going to have to pay $50. There is nothing to say that in five years from now that is not going to be $75, $100 or $150.

An hon. member: It should be.

Mr. MacDougall: Mr. Speaker, it is fine for the member for Ottawa Centre to say that it should be, because he lives under the dome. He does not deal with the reality that those of us who come from the rural part of Canada deal with on an ongoing basis.

Regulations on types of guns, storage and clips should be determined and printed to be passed into legislation. To limit semi-automatic firearms and prohibit the same styles of guns which are now being used for recreational and hunting purposes in the north affects those individuals who purchased guns many years ago. The 303 Lee-Enfield rifle with a clip of 10 which many of my constituents own today will no longer be lawful when this piece of legislation is passed.

I just want to give a few numbers here that make it very interesting in terms of deciding what we are really talking about in Bill C-17. Private insurance companies paid out $6.4 billion in 1989 as a result of automobile accidents. Out of that 284,234 people were injured and 4,246 were killed. Some 495 people including 81 children and 7 firefighters died in fires in 1988. Of 656 homicides in Canada in 1989, 218 were effected by firearms.

• (2130)

We are trying to say that this legislation has been driven more by emotion than by facts. I have received letters not just from rural parts of Canada but from from concerned citizens all across Canada. I have one here from Victoria, B.C.: "Hunting, target shooting and collecting are traditional sports and should be preserved for future generations. If saving my way of life means that I have to become politically active I plan on doing so".

A corporation in my riding has received information on Bill C-17, the new gun control legislation. The council objects to Bill C-17 for the following reasons: "The real purpose of gun control use is to reduce violent use of firearms. However, Bill C-17 will effect the average northern hunter and their traditional values. A $50 FAC fee is unacceptable to most rural Canadians. Stiffer penalties should be imposed for criminals for the violent use of guns. There should not be a requirement for further safety courses over and above those already in place, and this is completely unnecessary. And this council hereby petitions the legislative committee studying Bill C-17 to completely review the entire part of this bill".

I could go on, as you can see from the numerous pieces of information that I have received. My greatest concern is not only the fact that we are dealing with this one piece of legislation here tonight but it seems to be an ongoing effort in the real rural parts of Canada. The livelihood and the way of life of those of us who come from those regions are, on an ongoing basis, being jeopardized by the fact that none of us believe that criminals should be loose.

None of us can say how sorry we are about what happened in Montreal. However the fact is that the history of northern Ontario and the history of rural Canada is that we have grown up and learned how to hold firearms and learned how to use firearms. Who can say today without regulations in place that trigger locks, cabinet locks, room locks and who knows what else will be put in place.

Mr. Speaker, I thank you for the opportunity to speak here tonight. I know that there is a voice out there that wants to be heard. I hope they have been able to hear what I have tried to say on their behalf.

Miss Deborah Grey (Beaver River): Mr. Speaker, I would like to thank the hon. member for his remarks and just say how much I admire him for speaking against this legislation. One of his colleagues, the hon. member for Crowfoot mentioned earlier that the Tory party comes up with consensus. I just want to congratulate him and others who I see here tonight who had the nerve to say that there are concerns about this legislation.

I would like to just make one quick comment in reference to a member of my riding, Lionel Tersier from Bonneville. I was wondering if the member would concur with what Mr. Tersier said in light of the remarks he made. He says: "Unfortunately it seems that a series of ill-considered regulations and unenforceable laws will be put on the shoulders of law-abiding gun owners who, in the past, have tried to follow earlier regulations that have not had the desired effects, and that is reduce criminal activities".

Could the member enlighten the House further on his views?

Mr. MacDougall: Mr. Speaker, back in January 1978 legislation was put into place to protect life, it was put into place for bona fide gun collectors.

This is something that has been going on for many, many years. In fact I have other legislation here that goes back to 1961. My greatest concern is that we are getting carried away, we are not dealing with the real problem and which is the criminal.

That is what we have to deal with here. It is not the law-abiding citizen. I hope we will see more changes to this, but there is still a great concern that not enough has been done to make changes that will affect the criminal.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to say to the member for Timiskaming that I have deep respect for him, and I listened to him carefully. He should not think that members from urban ridings are not suffering with him tonight over this legislation.

He mentioned the fact that there is a lot of emotion in this debate and I share his view. There is a lot of emotion in this debate. We in urban areas have probably as many people involved with the legal possession of firearms coming to us as does he. However we also have constituents coming to us and I will cite one example of a father, a Vietnamese gentleman, who came into my constituency office not too long ago. He had lost his son from a gunshot wound on the street in my riding. That has an emotional effect on all of us.

The chief of police in our city is telling us: "Dennis, this is not perfect legislation but there are some good things in it that will help improve the gun control situation". How does the member respond to a police chief that gives us that kind of a recommendation?

Mr. MacDougall: It is very simple and I want to thank the hon. member for his question.

The law side of it is what we have to deal with, the punishment side dealing with criminals. I am still very concerned about plea bargaining. I am very concerned that we have said we have increased the sentencing to 10 years. I do not think that is strong enough. I believe we have come to a point in this country that we have to make those that break the law pay. We can no longer have a society out there where people just have their fingers slapped when they commit a crime. That is what we are looking for in this legislation. When you err, when you break the law, when you end up taking a life you should pay for it, not the honest, law-abiding citizen.

Mr. Shields: Mr. Speaker, before I start my 10 minutes, I wonder if we could have agreement from the House. We do have a number of pages here that are university students and have study time to put in before tomorrow. They are usually off at 8 p.m. and we have kept them now until 9.30 p.m. and we could be keeping them up a lot longer. I wonder if everyone would agree to allow the pages to go home.

Mr. Brewin: Mr. Speaker, I am sure it is agreed on all sides that if they wish to go they should be free to go. However they would not want to miss the speech coming up in probably the next half hour or so from the veteran member for Annapolis Valley—Hants. I am sure we would be glad to hear him.

Mr. Nowlan: Mr. Speaker, I will stay. We used to sit here until 10 p.m. anyway. Anyone who cannot stay to hear my speech can read it in *Hansard* tomorrow or see it on video.

The Acting Speaker (Mr. DeBlois): The camera is not on you, sir.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I think it is agreed that we are allowing the pages to go home.

Earlier today I voted against this legislation. It is very difficult to vote against legislation that members in my caucus have worked so hard to reach a compromise on, to reach a position that they feel, and justifiably so, has found a balance.

I refer particularly to my colleague, the member for Lethbridge, who worked very hard on this legislation.

• (2140)

I want to read you a couple of quotes tonight if I may. I think they outline very carefully the feelings that I have and the feelings that my constituents in Alberta have. This is a letter I received from the office of the Farmer's Advocate of Alberta. I will not read it all but it is regarding Bill C–17, the firearms legislation.

It says: "I was recently speaking to a law professor from Osgoode Hall and he tells me that in Canada there are about 350 different charges that can be lodged under the Criminal Code of Canada but that there are approximately 40,000 other legal restrictions under which charges can involve our citizens."

I would assume reference is to laws and regulations enacted by our three levels of government. His main concern is not with the Criminal Code since, "if charged under this a citizen is innocent until proven guilty, sometimes a difficult task, but the principles of English common law prevail.

The concern is with the laws and regulations of the associated charges that can be laid under a large portion of those other 40,000 laws and regulations applicable to Canadians." In reference to the latter he indicates that in many cases, penalties can be as severe as those of the Criminal Code but a citizen, if charged by an inspector or other official carrying out the intent of the act, is faced with having to prove his innocence. That is quite another case.

"Further, a good many of our citizens can no longer bear the cost of seeking justice in the court system."

I would like to move to another one. Of course, he is against the enacting of Bill C–17. I will quote another paragraph: "I do not believe anyone would quarrel too much with the removal from sale of military type assault weapons but most of the other provisions of the bill will only serve to penalize honest people". That is what I feel is happening with Bill C–17.

Then he goes on to say: "My constituency happens to be one comprised of farmers living in western Canada". Indeed, that is much of my constituency. "The moment the firearm bill is passed you will have created thousands of law breakers on our farms for I cannot imagine that they will take the rifle from the back porch, from behind the basement door or from behind the seat in a half–ton truck and lock it away someplace officially regarded as safe."

Then there are the changes concerning magazines, capacity and the measurement of a barrel length which will sweep even more into the net.

I think a very significant paragraph is the last one: "If the realities of life and politics regarding guns are that much different in the Golden Triangle than they are in farms in western Canada at this moment in history in which we live, then consideration should be given to other solutions. Obviously the U.S. recognized this since gun laws differ from state to state and tend to be more stringent in the densely populated areas".

I would like to go on record as saying that I truly understand and feel real empathy for those living in urban centres like Montreal where the tragedy that we are all aware of took place.

Bill C–17 will put the individual honest Canadian who takes up a legitimate activity, the gun club members across Canada and farmers who use their weapons consistently in their daily activities in a position of breaking the law as they carry on in the normal, safe manner that they have always carried on.

To me that is wrong. There has to be another way and I think the way is to make it very strict and very tough on the criminal element who by the way acquire their guns illegally. That activity is not going to stop in my view. Anyone who is going to commit armed robbery, anyone who is going to commit a violent activity is not going to worry too much about acquiring a weapon in an illegal way to carry out that activity.

I received correspondence and I am sure other members of Parliament here today have as well. I hope she wrote to everyone. It is from Judith Ross, Ph.D., 34 Cavell Avenue, Toronto, Ontario. I think it is an excellent piece of work that she has done. She pretty well destroys all of the myths on The Coalition for Gun Control and brings in the facts. It is too bad that we do not have time to read it. I hope that everyone has read it. I know it is not going to make any difference. I know that this bill is going to be enacted tomorrow. Bill C–17 will be passed in the House tomorrow and then it will go to the Senate and become law.

It really distresses me that this is going to become law and I am going to have to go back and talk to farmers, trappers and the native people in my community when it is absolutely second nature for them to carry and to use a gun in their daily lives. They do not use it in a destructive way. They use it in a very constructive way.

I now have to go back and say to them that they are breaking the law and can be charged by the Royal Canadian Mounted Police, if the police happen to come to their house or stop them on the road and find a weapon in their pick-up truck. I cannot believe that we in this House of Commons cannot come to a better solution than Bill C–17.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Five minutes for questions and comments. The hon. member for Saint–Hubert.

Mrs. Pierrette Venne (Saint–Hubert): Mr. Speaker, I can inform the hon. member who just spoke that to say guns do not kill people is a myth, and that will be subject of my comments.

[*English*]

Guns do not kill people. People kill people. The fact is that people without guns injure. People with guns kill. Gunshot wounds are 15 times more deadly than those from knives and far more deadly than those from weapons such as clubs or fists. Reducing the accessibility of guns may not reduce the number of violent confrontations but it will reduce the risk of fatal outcomes. It takes a less well formed motive to commit murder with a gun than with any other weapon because of the physical and psychological distance between the aggressor and the victim.

[*Translation*]

I think it is quite obvious, everybody has said so, but when we listen to the hon. member, he just doesn't make sense.

Nevertheless, I would like to ask him a question, and I hope that he will be able to give me a straight answer. I do not see why all those farmers and hunters and practically all the people in his riding will be breaking the law, because from now on, we will have legislation that will be a bit stricter on firearms. What it boils down to is that this legislation will turn restricted weapons into modified semi–automatic weapons. I do not think every single person in the hon. member's riding has a modified semi–automatic weapon.

I fail to see why everybody in his riding will be breaking the law from now on. I would appreciate it if the hon. member could answer that question.

[*English*]

Mr. Shields: Mr. Speaker, I appreciate the question from my hon. friend. The storage provisions and the transportation provisions in the bill will make it illegal for a farmer to set his gun beside the back door or hang it up over the door. Yesterday I had a visitor from High Prairie who told me that two days prior to being here he shot a coyote in the back yard. It had come up nearly to the back porch.

• (2150)

I am passing this information on to you.

I asked him what he did with it. He said he shot it and then he had it buried because he did not know if it was rabid or not. He wanted to have the carcass buried. That

is something perhaps that my hon. friend does not understand.

He will not be able to leave his weapon, the .22 rifle, handy in an area close to the ammunition that it carries. He will have to store the weapon in one spot under lock and key, under regulation, or have a guard lock on the trigger mechanism and the ammunition in another spot. That is in the law. That will be in the law and is the regulation that is coming out.

The storage is in the legislation. It has to be under lock and key. Tell me how you are going to be able to do that.

Let me go back to the question brought up by my hon. friend. She said guns do not kill people, people kill people. That is a bumper sticker.

A Danish study differs greatly from American studies and finds that rather than being 15 times more lethal gunshot wounds range from 1.5 to 5 times more lethal than knife wounds. It depends on the calibre of the weapon. The information given by my hon. friend gives no consideration to penetration by a .22 calibre bullet. I would consider a knife wound much more lethal.

Those are spurious arguments. That is not the argument I am using. My argument is that there are honest people who have weapons. I have some. I have a number of shotguns. I have a couple of rifles. My sons, my children, have them. I have taught them to use them properly and they attend gun clubs. I do not see anything wrong with that. It is a legal activity. It was a legal activity and now we are zeroing in on an issue because there was a tragedy—and it was a tragedy that happened in Montreal—but because of those kinds of things happening we are zeroing in on legitimate, law-abiding citizens and to me that is wrong. That is wrong in my view.

Therefore, I cannot support the bill.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I wish to inform hon. members that the first five hours of debate at third reading stage are now expired. Pursuant to the Standing Orders of this House, the 10-minute maximum period, without questions or comments, is now starting. On debate, the hon. member for Victoria.

[*English*]

Mr. John Brewin (Victoria): Mr. Speaker, I rise to support Bill C-17. I recognize, as I am sure all members do, that it is far from perfect in achieving the objective that I think virtually all Canadians want to see. That is effective gun control legislation. An overwhelming percentage of Canadians have come to the recognition that the first and primary responsibility of the state is to protect its citizens.

We are now facing an epidemic of violence in this country that has been created by a series of causes and will be dealt with, not simply by legislation of this kind. This legislation will only deal with a small part of it but at least it represents a step in the right direction.

Let me start by joining with other hon. members in a personal statement. I come from a very urban culture. Guns are foreign to me. I fired a gun a few times when I was in cadets in the army and later in the navy. I was not very good at it but I do recognize that it is necessary for the military of this country to be equipped with guns as part of the security of our country. I accept that in some circumstances police officers need guns, but beyond that I personally have a great deal of difficulty understanding why private citizens need guns.

I recognize as the previous member said there is a somewhat different culture, particularly in rural Canada. There are those who collect guns. To me that is a strange activity. I do not understand it at the personal level. There are those who hunt. That too is something that is strange to me. There are those who engage in shooting as part of a sport and in fact the sport is included in the Commonwealth Games, in the Olympics and so forth. To me that activity almost romanticizes the violence that is really inherent in guns. If we look back at history that is the role that guns played in our history and in our culture. They are part of war and war has become the bane of civilization.

So to me, guns symbolically have no place in a good society. However I recognize, and all legislators must recognize, that there are those who have a different culture. Further we must recognize that the criminal law cannot simply do the effective job of changing human behaviour. If we are going to tackle the causes of violence that led to the massacre in Montreal, that has caused 1,100 young people last year to commit suicide in Canada and the domestic violence some of which hap-

pens by guns, we cannot simply rely on the Criminal Code to do it.

But the argument that we should not try to use the Criminal Code to the full extent possible simply does not stand up. What distinguishes this country from the country to the south is that we recognize that the possession of a gun is not a right. It is a privilege which Parliament is entitled in the interests of the safety of the community to restrict.

What legislation in 1978 began to do, by providing certain restrictions on the acquisition and possession of guns, this legislation takes a step further. There is a huge amount of misinformation being put out about what is included in this bill. Let me be fairly specific about the bill and what it seeks to achieve.

It provides that first time applicants for firearms acquisition certificates, which have been in place in Canada since 1978, have to wait 28 days before receiving a certificate. It provides that for exceptions in certain areas, photographs would be necessary as part of the job of applying for a certificate. The bill changes the age limit for obtaining a certificate from 16 to 18. It increases the cost but provides that the cost on renewal is halved from that of a first time application. It bans the import and possession of fully automatic firearms converted to fire in a semi-automatic mode. It creates the enabling power to ban large capacity magazines through regulations.

The bill creates a new offence, the altering of a firearm or assembling parts to produce a fully automatic weapon. There is also the promise of prohibitions or restrictions of certain military and paramilitary type weapons following criteria to be developed by the Canadian Advisory Council on Firearms.

The Canadian Advisory Council on Firearms will have a major role in shaping the regulations and so too will this House because any regulation will have to come back to the House.

The previous member spoke of safe storage as if there is some terrible problem for those on farms. There is no provision in this legislation that will restrict a farmer from keeping a gun beside the door. What this legislation provides is for regulations to be developed for safe storage. Those regulations will have to be approved by the Canadian Advisory Council on Firearms and will have to come back before this House. Members of this House will have an opportunity to see that there is a public debate on the regulations. Clearly the historic position of farmers will be taken into account.

• (2200)

Genuine gun collectors are defined in the regulation. It provides for record keeping requirements on gun collectors. How could any citizen complain about that? Remember, a gun remains a lethal weapon which can kill. As long as it is a lethal weapon which can kill human beings then it is entirely appropriate that the state should intervene to control and restrain it.

We also must remember, to come back to the point, that the Criminal Code has to deal with behaviour and make certain behaviour illegal. That is what this bill seeks to do.

I believe that Canadians generally accept the idea that we must have gun control. That control can be through education. As the previous member stated, a parent can educate his or her children in the use of guns. Society can train and educate people before they are allowed to acquire and possess guns. That is what this package provides for.

If the precise regulations do not work as effectively as they should then we will have to deal with them.

I would like to conclude by making this point again. This gun control legislation, so necessary as a step towards a safe society, is not all that we in Parliament must do to deal with the epidemic of violence in our society. We have to recognize the extent of the violence in our society. We have to recognize that violence is fundamentally gender specific. It is a male propensity to violence which is predominantly the problem in our society. We have to understand the reasons for that. We have to get to the heart of what it is that produces domestic violence, social violence and even institutional violence.

We have to work on social programs that get to the root of the difficulties. We have to fundamentally understand that people must have a fair, just and equitable society and they must see society as a family. In my view rampant individualism is at the heart of the increasing propensity of our society for violence. Further, it is the Americanization of our culture. The American belief

that to own a gun is a right is becoming a potential belief in this country.

What I am so proud of in this bill is the overwhelming support of all sides of the House for this step to bring under some kind legitimate control the acquisition and ownership of guns. It is a step in the right direction.

We on all sides in Parliament will monitor its effect. We must be ready to intervene to improve and make more efficient the procedures so that citizens are not burdened with bureaucracy. We must also be ready to continue to close the gap so that all in our society can feel safe that guns are not out of control in the end.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, since we are now under the 10-minute rule I will try not to ad lib too much. I am fortunate to be following the previous speaker, the member for Athabasca. His speech portrays in capsule form the two solitudes that are really involved in this whole debate of guns and gun control and/or the social domain.

It is interesting that I am now speaking because I frankly come in between as a happy negotiator, a happy compromiser and a happy ex-Conservative.

I am not a gun owner. I am not a gun collector. I do not own a gun. I could not shoot a deer if you paid me money for it.

I have listened to the debate and it is a troubled debate. As the hon. member for Victoria said sincerely and as the member from Athabasca sounded out certain practical problems that he felt, that is part of the problem that we have here tonight.

The thing that bothers me more than other matters is the process. Today really is the first time that under this interesting parliamentary system we have there has been an opportunity for members to debate publicly their views on C-17. I know I only have 10 minutes and it goes very quickly. I think four have gone already. What really bothers me the most is the fact that this Bill C-17—and I admit that there has been a lot of preamble and a lot of history, C-80 which never came to the floor of the House—just came to the floor of the House on June 6. What we have is a mini Meech Lake. There was a mini Meech Lake with House leaders on June 6. Before the Minister of Justice even started to make her speech, the Leader of the Opposition stood up to say there were consultations among House leaders and it was decided that one member would speak from each party and then the bill would be sent to committee. That is the way it was. The bells rang and then under the rules the Whips came.

Mr. Speaker, I wish you would get away from the interference with the member from wherever he is because this is a serious matter. Bells rang and under the rules that we have all agreed to the Whips come up and say: "No". That was Thursday, June 6. There were not many members around. "We will postpone the vote on second reading, which is usually a vote of some importance, we will postpone it until Monday at three o'clock", I believe.

Lo and behold, and frankly it is happening too often in this House, in the midst of Private Members' Business on the same day, the House leader of the NDP stood up twice and the second time he was successful. He said, among other things—of course I do not know how many members were in the House then, perhaps three, four or six—he then said: "Mr. Speaker, notwithstanding any other rules and procedures of the House of Commons, let it be deemed that this bill is passed and referred to the Legislative Committee H", et cetera. Some members said agree and there it was.

I admit that sincere members who were concerned about this matter debated it in committee. That is fine. They produced a report that finally came into the House as the amendment, or Bill C-17. The vote this afternoon on second reading at the report stage was the first time that members had a chance to express themselves by vote. Tonight and today is the first time members, besides the committee, have had a chance to speak on this bill.

If members want to know why the public out there feel that this place is irrelevant I would suggest that they look at the process that has been used in a very fundamental important bill that affects directly or indirectly all Canadians that they look at what has happened here with C-17.

Time moves so quickly in terms of the substance of the bill. As I said earlier, I am troubled by this bill. I know the popular feeling is to vote for it. However I finally got into it when it came on to the floor of the House. I read the report of the special committee on C-80 and I have read the minutes of the committee on C-17. There were the best of intentions to try to tighten up certain matters that affect lives. A blanket of bureaucracy on law-abid-

ing citizens is not going to solve the problem, as everyone wants.

• (2210)

I think there are some people in the gallery tonight who have experienced the agonies and the tragedies. I have two daughters and hopefully I will never have to share what some people have shared as a result of that tragedy in Montreal.

There has not been a member anywhere in the House, including the Minister of Justice, who has even tried to suggest that with this bill the tragedy in Montreal could have been avoided, or even the tragedy in Iowa where a brilliant Chinese honours student, distraught because he did not get the acclaim of his masters, went out and horribly shot a Chinese colleague who received the doctoral award and then he shot the professor who did not give it to him. There is not a member who has said that any of this would be corrected.

There are two solitudes here. We had that graphically illustrated earlier by the hon. member for Victoria and the hon. member for Athabasca. My problem is that the people I talked to are law-abiding citizens who wonder why they are going to have to comply with more bureaucracy when the penalties for using guns really have not been that fundamentally affected.

Time is of the essence here. The debate has been pretty good tonight because there have been different points of view. There is really no political capital in terms of partisanship in this. I want to compliment my seatmate, the hon. member for Kenora—Rainy River, who has taken a leading part in committee and in the debate of this bill. Frankly he has informed me of things that I did not understand about this bill. He has had the temerity perhaps but I say the intestinal fortitude to do what the people send us here to do, that is to stand up and say, as he said in his opening remarks on this bill and I was privileged to be here next to him when he said it: "Hey, we are looking at this through the wrong end of the telescope".

It is not the law-abiding citizens who have guns and have the .22 over the door, like my friend from Athabasca said, but the criminal out there that we are trying to get. We are not getting them with this bill. This bill, as I said to the local press when I voted against the bill at second reading and at report stage earlier today—and I imagine I am most likely to vote the same way tomorrow—is a charade. This bill does not address the problem of the killers. There is not a killer that I heard of in the tragedies that we know about that would be affected by this bill.

You have indicated, Mr. Speaker, that I only have one minute—and 10 minutes does go very fast—but I want to compliment those who have worked sincerely on the bill. I compliment the Minister of Justice for trying to do something. Quite frankly I think more can be done with this advisory council to try to sort out where we go on this and to try to get the criminal. We should not try to pretend with the pressure of tragedy that gun control in this bill is going to solve the problem.

In conclusion, there are so many things that can be said. Obviously guns do not kill people. People kill people. Yes, I think we have a fundamental interest in legislating but I take exception to the pressure. However I am glad that we are at least debating it. This bill is a microcosm of members speaking and representing their constituents. Obviously you have a different point of view depending on where you come from. Mr. Speaker, you are indicating that I am just about through and I am through. I do not believe this bill solves the problem that we are trying to solve, the dilemmas of those who have sustained agony and those who are going to continue to sustain agony. That is because this bill does not address the fundamental issue of the criminal.

Ms. Mary Clancy (Halifax): Mr. Speaker, before I begin my remarks let me with the greatest of respect correct my hon. colleague from Annapolis Valley—Hants. Indeed this bill, though flawed, though imperfect, would make a difference in at least one of the tragedies in which he noted. It has been reported by two separate independent studies that had this bill been in place, particularly relating to the size of the clip, that Marc Lepine would probably have killed fewer people at Ecole Polytechnique. Just the time it would have taken him to reload would have allowed more people to escape.

I trust that my hon. friend from Annapolis Valley—Hants will accept this most respectful correction of his statement.

It is not a perfect bill. It is not the bill that were I in a different position that I would have brought forward. It is at least a step in the right direction.

I think that some of the amendments are good steps. They will show the people of Canada particularly the women of Canada, particularly the parents of Canada who worry about their children and who are sickened at the tragedy that we saw in Montreal nearly two years ago, that here in Parliament we are trying to do something. I wish we could do more. I want us to do more. I hope that we will do more very soon. I support this bill as a start.

One of the reasons I support this bill is because of the situation in my own city of Halifax. Yesterday on my way to the airport to return to Ottawa I heard that a recent study had declared Halifax to be the city with the third most murders in the country, after Vancouver and Thunder Bay. I can tell you that that is news that comes in spite of the changes in our lives in the city of Halifax. It is news that is still shocking to Haligonians.

In the first 20 years of my life in that city I believe that there had been only one murder. In the last 20 the murder rate has risen steadily every year. Not all of those murders are done by guns but most of them are.

The other thing that brings me to support this bill and to support gun control generally also relates to the increase in crime in the province of Nova Scotia and the spate of spousal murders that we have seen in our province over the last few years, of young women shot to death by the men that they, one supposes at the very least, trusted most. Another reason I support it is that it sends a message that we are coming to grips with the question of guns in our society.

I think we sometimes suffer a great deal because of our nearness to the United States and our reliance on many of their communication facilities. Far too many Canadians tend to see themselves in the context of American society rather than in the context of our own. One of those things is the whole question of the right to bear arms which in the United States is a constitutional right. I will make no comment on the sensibility of that being a constitutional right. I will merely say that I am very happy that it is not something that appears to be in question or in any danger of going into our Constitution.

I remember some years ago, when I was living in Vancouver, British Columbia, and I was involved in a program for Canadian customs officers. They were telling us that one of their biggest problems was dealing with American tourists taking the Alaska Highway, going through the province of British Columbia to the state of Alaska. Every second car the customs officer told me had firearms which would be taken by Canadian customs officers, dismantled, sealed into special packages and given to the people when they left the province of British Columbia at the Alaska border.

• (2220)

The customs officer told me that his greatest difficulty was the complaints from Americans who kept saying: "We have the right to bear arms". As he said: "Yes, you do. In your country, you do not have the right to bear arms in my country".

I think that this is one of the differences between us and our neighbours to the south that gives me a certain sense of reassurance. We have not yet seen, although we have seen too much in the way of death by gun, some of the horrible tragedies that the Americans have seen.

I am thinking of a situation in Florida several months ago where a little boy was playing with a gun. He shot and killed his sister because a gun was something that was around the house and something that he played with.

I am thinking of a paperboy in a small town in Michigan about five years ago who was walking up the walk on his regular Thursday night rounds to collect money. A homeowner who had forgotten that it was the night of the paperboy thought he was an intruder and shot him dead on the front walk.

In both of those cases, the shooters were negligent but not murderers. The victims were no less dead. In those cases, guns did kill people even though the people wielding the guns probably did not want to.

I understand the needs of bona fide hunters, the farmers and of the true gun collectors to exercise their rights and their needs with regard to guns, but I think that a number of the people who complain that this bill is too severe have to walk a little bit in the shoes of those of us who live in the urban centres where people are afraid with reason to go out after dark. Women are afraid to park their cars in underground parking lots. Danger

lurks in cities that used to be safe and an entire Canadian way of life is disappearing as a culture of violence takes over.

If we do not, at the very least, support the minimum strengthenings to the gun law that this bill offers, then I think we will have to be ashamed to hold our heads up in front of our constituents. I do not think that this bill, as it stands, will interfere significantly with the rights of legitimate gun owners holding those guns for legitimate purposes.

I also do not think that this bill goes far enough in other ways to protect those of us who desire the protection against those who hold guns in an illegal manner.

As I said in the beginning, it is a step, it is a start. I hope it is a start of something that will make the Canadian society a safer place for all of us. I hope that this legislation is just the beginning toward what will be a permanent memorial and a just law so that the young women who died at Ecole Polytechnique and the other people who have died in Canada through the senseless violence and the senseless use of firearms will not have died in vain.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, I rise in this House in support of Bill C–17, a support based mainly on personal experience. First of all, I am an American by birth. Second, I spent three years in the U.S. Army, from the age of 17 to 20, and I know how extremely dangerous firearms are. I have seen first hand the damage they can cause as well as how they can literally transform normally peaceful people into violent, super machos all of a sudden.

I agree the bill is not perfect. I agree it does not do enough to defer criminals, as the hon. member for Annapolis Valley said just now. However, gun control is necessary, not because there are so many criminals who can purchase firearms but because the people who are killed, who are threatened and attacked with firearms, are not necessarily part of the Mafia or the underworld. They are people like you and me, Mr. Speaker. I am having a lot of trouble—

The Acting Speaker (Mr. DeBlois): I would appreciate the co-operation of all hon. members so that the hon. member can continue his speech. The hon. member for Chambly.

Mr. Edmonston: Thank you, Mr. Speaker. As an American by birth who was in the army for three years, I know what can happen with firearms, and how, in an environment where there are no firearms, innocent people can be affected and hurt by the absence of gun control.

There are some major flaws in this bill. The only reason I will vote for the bill is that it is a step in the right direction. It is the kind of step even the United States were unable to make. The same day someone in Killeen massacred twenty people and wounded ten others in a Texas restaurant, the U.S. Congress was considering a bill aimed at controlling firearms, but because of a powerful lobby group, the National Rifle Association, representatives in the U.S. Congress did not have the nerve to pass a bill that would prevent something like that from happening again. Here in Canada we have a bill that is a step in the right direction and that will at least save a few lives until the legislation is reinforced.

I have some reservations about this bill because I think there are some flaws, and I will mention them quickly.

First, there is no munitions control. Even when I was in the U.S. Army, they always made sure ammunition was not stored in the same location as the firearms.

Second, we should have a registration system that registers firearms when they are purchased. This bill does not provide such a system and in my view that is quite an important shortcoming.

Third, assault firearms should be forbidden, but that will only be decided in the regulations. That worries me in a way because we do not know exactly what assault weapons will be banned. I would really like to have that list as soon as possible so that we could end the trade in those weapons once and for all.

Fourth, another flaw of this legislation is that it contains a fairly important exemption for semi-automatic weapons that have been converted into automatic weapons. About 50,000 of these firearms will be exempt. I find that unacceptable, because these semi-automatic weapons cannot be used for hunting, except to hunt human beings. So I find that is a fairly important deficiency.

But, despite all these flaws, as I said, I find it is a step, albeit a small one, in the right direction. And I agree with those people like the lady whom I met, Mrs. Edwards, the mother of one of the women killed in the famous massacre at the Ecole Polytechnique in Montreal, who said: "Phil, pass the bill now. We will try to

strengthen it later. If we do not pass it now, we may never get another chance".

• (2230)

I trust that young woman's mother. I find that Quebecers are quite peaceful people with lots of common sense and they know that we really need to control firearms.

Having a law today to start the process is more important than not having a law at all. In general, that is why I will vote for this bill, based on my experience as an American citizen by birth and my three years of military service.

I know that firearms have had a frightful effect, right in the city where I was born, in Washington, in the United States, so much so that Washingtonians want to hold the manufacturers of firearms responsible for the murders committed with those weapons. It is an act of desperation because so far, the city of Washington has never been able to control the trade in these firearms. They are banned in Washington but it is a very profitable business in Virginia and Maryland. Now in Washington they are trying all they can to stop the killing.

I also want to talk to you about something else. In Fort Lauderdale, where my mother lives, people are allowed to transport firearms in their car provided these weapons are exposed for people to see. I even saw a man get out of his car when the car behind him honked at a red light. He took his gun and asked the other driver whether he wanted to get a bullet in the head. At least he was polite: He asked.

Frankly I do not want to see Canadian society become like that. It is true that in the United States everybody is armed to the teeth, which is extremely dangerous, but it is worse than that, because in your heart and soul, there is that pervasive fear that violence is waiting around the corner, and if you do not watch out, you will be the next victim. We do not have that here in Canada, and I am very glad about that.

Just one last word. It is true the legislation does not affect criminals who have firearms. I agree. I do not think any legislation would be able to keep firearms out of the hands of criminals, but there is also the problem of young people, teenagers, who all of a sudden want to commit suicide. With this bill at least, we will have regulations on storage, and these young people will not have such easy access to firearms in order to commit suicide. Suicide is quite a serious problem among young people today.

There is also the problem of marital squabbles, when the husband loses his temper, grabs a gun and kills his wife. It is too easy. At least with this legislation, we will have a way to enforce proper storage of firearms.

In concluding I will vote in favour of Bill C–17 because it is a step in the right direction, but I expect Mrs. Edwards and all other Quebecers to take immediate action to reinforce the bill.

[*English*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, I welcome the opportunity to say a few words on this legislation this evening.

Bill C–17 presents tough choices for many members in this House. The issues surrounding this legislation are difficult and profound. Bill C–17 requires that we choose between the conflicting goals of public safety and individual freedom, between the interests and perspectives of rural and urban Canadians, and between our obligations to represent as members of Parliament the views of our constituents while attempting to forward the national interest.

The mail I have received on this legislation has been for the most part opposed to this bill. Many of the letters were passionately and honestly written and argued. They raised some very good points. Those points were sincerely believed by those who took the time to write to me with them.

They suggested that the focus of Bill C–17 is wrong. It seeks to control guns when it is the criminal use of guns that needs to be controlled. It seeks to compensate, without compensation, the personal property of gun owners who have purchased weapons which as a result of this legislation will become illegal. It makes criminals out of law abiding responsible hunters and sportsmen. It fails to address adequately the need for training in the handling and the storage of firearms.

My understanding of this legislation and of gun control in Canada has been greatly helped by my discussions with one of those people from my riding who has taken the time to write and to intervene in this legislation, Kevin McMaster of Port Hastings. Kevin McMaster is a recreational marksman and a gun collector. He has devoted a great deal of time and energy toward understanding gun control in Canada and in other countries and its relationship to criminal activity. He is responsible, intelligent and well informed on these issues. Kevin McMaster has expressed to me serious reservations with Bill C–17. He has written:

> I am deeply involved in the shooting sports and have invested a lot of time and money into it. If this legislation goes through as is, two of the guns I paid a lot of money for and bought legally will become outlawed. The government has said they will pay no compensation and this outrages me. I fully agree with stiffer penalties for criminal misuse of firearms and feel this to be a strong deterrent to crime. I would hope the government follows through on this.
>
> I don't want to sound like someone who thinks everyone should have a gun. I just want a system that will work so that I will not have to worry about losing a sport that means so much to me. Every time I hear about a shooting I cringe, knowing that it makes gun owners look worse and worse. You can't even mention that you feel you should be allowed to carry a gun for self–protection without somebody thinking you are some kind of freak who wants to shoot somebody.

I can understand Kevin's concerns. Yet, while Kevin would not agree with my support for this piece of legislation, I believe we share the over–all objective of more effective gun control legislation. I support this legislation, flawed as it is, because I believe it is a step toward that objective. More important, it does not preclude some of the important measures that Kevin and others like him would advocate.

Bill C–17 is really one step in a process. It is a process which will address some of the important issues of firearms control and, as such, represents a step forward in making Canada a safer society.

For example, there are the enhanced requirements for obtaining an FAC: the 20–day waiting period, the photograph requirement, the minimum age raised to 18, requiring two references and allowing firearm officers to question spouses, family members, friends and other associates about an applicant's suitability for gun ownership. These will help control who gets guns, just as the law controls the guns that people get.

Even though these changes will cause some inconvenience for gun owners, I believe that the changes are reasonable and responsible under the circumstances. As well, the requirement that the FAC applicants complete a training course is a fundamental one in my view. Training has long been recognized as a tool for reducing accidents with firearms.

• (2240)

People must know that guns are not toys. They must be trained in their use and in the responsibilities that accompany their ownership. Even though serious questions remain about the structure and administration of firearms training, the fact that this bill reaffirms its importance is reassuring.

I should say in response to one of the issues which Kevin and others have made advocating further training, I think it is important to note that this bill moves as far as the federal government can go constitutionally in presenting a framework to facilitate the provision of training for the use of guns which under our system must be administered and implemented by the provinces.

I would hope that the provincial governments will take up their responsibilities to encourage responsible licensing and training of firearms owners so that this objective toward gun control can be furthered.

I support as well the principle of safe storage, even though as I said before there will be certain people who will be inconvenienced by it. Many gun owners rightly believe that the criminal element of guns is what we must address. Yet these same people believe that lawful gun owners are totally unrelated to the criminal element.

From whom do criminals steal guns? From lawful gun owners in many instances. In 1990 there were almost 56,000 lost, stolen or missing firearms in Canada. Theft of firearms is not the only storage problem we have to address. We must address as well the accidental misuse of firearms, the kind which most often occurs with lawful gun owners.

Time and time again we hear on the news about tragic deaths resulting from children who have access to guns. I am not impressed with the government's inability or unwillingness to provide at this time a definition of safe storage for Parliament and Canadians to consider. I believe that definition would have brought a great deal

of reassurances to those who have reservations about this legislation.

Now we can only hope that the Firearms Advisory Council will think beyond the urban limits when it sets out storage requirements and makes them affordable, realistic and enforceable for all Canadians.

Increasing penalties for criminal misuse of firearms are welcome as well, as are the enforcement of prohibition orders. Despite the legislated sentences, though, it is important to educate judges and crowns alike as to the importance of applying these penalties in a serious and consistent manner. As with all laws, unless the penalties are properly enforced and administered, they are essentially pointless.

Although I support this legislation, I recognize as I said earlier that it is flawed in many instances and really represents only a first step. I have introduced some amendments which I believe would have strengthened the bill and which I would hope this government, in monitoring the legislation and developing the regulations that will accompany it, would take into account. In particular I would hope that the government would explore the issue of compensation for those people who must turn in their personal property, those guns that will be prohibited, so that these guns can be safely taken out of circulation.

Finally I also hope that the government will encourage the provinces in any way possible within the ambit of this law to establish standardized and rigorous training and licensing requirements for those who would purchase and use firearms in Canada.

Mr. Robert Wenman (Fraser Valley West): Mr. Speaker, this bill is about a lot of things. It is about gun control, supposedly. It is about better gun control, hopefully. I wish I felt that it would accomplish these kinds of objectives. I wish that I did not feel that it was really just a political bill, a bill to satisfy a series of events, a bill reacting to the fear of growing violence in Canada, and that somehow we would find a solution to the growth of this violence by restricting, controlling and enforcing.

After 17 years in the House of Commons, somehow I feel that again I am going to be cajoled by the pressure of party peers and this party kind of thing that happens in voting to steal just another little chunk of my freedom and a little chunk of the freedom of my son.

I have hunted as a young person. I no longer hunt. I no longer own a gun. I have no interest in shooting at a target or at animals. I think the reason I feel that way is because I am a Canadian and I feel something about space. I had a chance to learn and to experience this kind of freedom. As a young man, I was able to take my father's shotgun and go from pond to pond and from field to field across the prairies and experiment and shoot and feel and satisfy that hunter instinct in me.

As young guys we would get a bunch of cans and put them up on those long, endless stretches across for miles and miles as far as you could see, and each try and make a few shots at it. You learn something from that about being Canadian, about being fee, about having space.

It is that sense of freedom and space that we have in the second largest country of the world that makes us non-violent. It is that education, that understanding. But that is not going to be there for my son. I cannot take my son out into the same field with pistol and set those glass balls, or an old glass insulator we would happen to find by the bottom of a pole and shoot at those. We learned something about ourselves and about our freedom, but my son cannot do that because he cannot get a permit to take his pistol to the field. In fact, he cannot take it anywhere except to a gun club of some kind that is properly registered, and that is only after he gets a registered permit.

By the time you have the learning experience, it is gone. At least the experience that I had that taught me about hunting, about life and guns and made me non-violent so that I would never hunt again. I probably never would want to shoot a gun. That is how it was satisfied and that is why Canadians are less violent. That is why there are less murders in Canada by guns than in the United States or in the densities of city cores.

I believe our approach is a little bit wrong. This is really about space and Canadians feeling space. Here I go again applying a wrong solution and that concerns me. It concerns me that my son who is now 24 or 25, and his friend Ted, like to take the registered pistol and go out in the field and shoot a little bit at some targets. They cannot do that in the second largest country in the world.

There is no place in Canada that they can experience this kind of freedom.

They are willing to lose this freedom if they think that by losing it they are going to save the lives of all kinds of people. Quite frankly, I do not think it is going to work. For 17 years we have piled restriction upon restriction upon restriction, we voted again and again, to get tighter and tighter regulations, and here we go again. Has it worked? No. I do not think it has worked. I think our society is becoming more violent day by day, not less violent. I do not think this bill is going to add anything to it, other than the debate itself, where we express our anti-violence feelings and our sense of freedom. I just do not see that restricting my son's and his friends' freedom is going to give anyone security.

• (2250)

There is not that much in this bill. It is a rather useless kind of a bill now. Surely if you are going to do it do it then. I do not really think this is going to take any or many guns out of the system and I do not think it is going to make those who are shooting the guns less violent.

It seems we always have to choose a law for the lowest common denominator because there is an exception here and here, because there is mental illness here, because there is that person who does not have that sense of freedom or has been raised in a density and they become tight. That tight explodes and it explodes into violence, violence and guns and death. That is the lowest common denominator and so we place our freedoms on the same basis as the lowest common denominator. It concerns me that I will do this again.

My children and your children have had the good fortune to understand and perhaps have these freedoms. They have been able to afford to go to the gun club if that is where they have to go to shoot. To all these young people at university, school, college or newly into the work force, who want to have these experiences, we have suddenly said: "No. There is something very sinful and evil about this and if you do this you'll be violent". Guns are not about violence. It is the nature inside of us that causes us to act in a violent manner.

It seems that this bill is about politics. It seems to me it is about the career of the Minister of Justice who is a good Minister of Justice, a great politician and an intelligent woman whose motives are all right, but it should not be about that. It should not be because there is a demand in our society to control violence that we throw in another restriction. That is not going to work. More and more laws piled upon us, reducing our freedom, are part of the pressure that causes the violence.

We have made this a useless bill. All it does is maybe take away a little bit of freedom. I have not decided how I will vote tomorrow on it. I guess I will go along. I do not know. As I go along I know that of the thousands of things I voted on, this is just one more small thing that I think I will regret if I think of it in terms of what I am as a Canadian, what Canada is to me, what freedom is to me and will I really whittle it down one more time. I do not really want to do it.

Mr. Tom Wappel (Scarborough West): Mr. Speaker, I would like to begin my brief 10-minute remarks by lamenting the fact that I only have 10 minutes to discuss this bill. It is of great importance not only to many people in my riding but to our country, regardless of which way the vote goes. We have a general idea of which way it is going to go.

One of the unfortunate things about the so-called reforms of the House of Commons is that we are restricted to making comments of 10 minutes after five hours of debate, particularly on a subject like this where we did not have any debate, or very little debate on second reading. Of course I am going to have to restrict my remarks severely.

I do want to let the people of Scarborough West know what was involved in the decision making process of their member of Parliament. I want them to be able to feel that they can come to me and ask me to explain at greater length what my thinking was. I want them to know that they had the opportunity to impact and input on the decision that I have come to.

When I first approached this topic when the legislation was in its previous form under Bill C-80, I was determined to take a completely neutral role and listen to both sides of the argument with as little passion and as much reason as possible. I answered that search by examining the legislation and then inviting the people of Scarborough West to come to a public forum which I hosted in my riding.

To that public forum I invited two people, one person who I knew was in favour of that bill and one person who I knew was opposed to that bill. I gave each of those people an opportunity to express their point of view as to the reasons why they held the particular view that they did.

Mr. Speaker, I want to tell you that that forum to this very day had the greatest attendance of any forum that I have had. That really surprised me because I am an urban member of Parliament. I represent an urban riding. It is 100 per cent urban. Scarborough West is in metropolitan Toronto. I resent it greatly when I hear people attempting to turn this issue into an urban versus rural issue because it is not that.

There are people in my riding who passionately hold views on one side or another, and yet they all reside in the riding of Scarborough West, in the middle of Scarborough in the most populous area of Canada. It is not an urban versus rural problem.

It is a problem that we Canadians have to deal with. When I say "we Canadians", I mean Canadians of both sexes because violence affects everyone. Violence is a danger to everyone, and we all as human beings and as Canadians must be concerned about violence and its effects on everyone.

One of the interesting things that came out of that forum that I had was the strength of opinion on both sides. There were policemen there. There were lawyers, teachers, clergy, grandmothers—yes, grandmothers—husbands, wives, constituents. Very few people had no opinion, except perhaps me, and the atmosphere was a charged atmosphere. I took that into account.

It is interesting because there were more people there than there were at my public forum on the GST, my public forum on free trade, on abortion and on whatever topic you want to name. There were more people in Scarborough West in an urban riding at my forum on gun control than past or since to the present time.

That surprised me, so I sat back and analysed what I thought was the general consensus of that meeting. I had asked everyone to identify themselves as to whether they were in or out of the riding. To be sure, there were people there who were from outside the riding who expressed views opposed to the legislation.

I recognize that, but what else did I do. Of course, I received people in my office and had them explain to me at their leisure, one on one, their concerns with the legislation or their reasons why they felt I should support the legislation.

I sent a questionnaire to over 37,000 households in my riding. I represent approximately 100,000 people. I attempted to find out what those people were thinking. I asked them what their concerns were. Over 100,000 people at least had the opportunity to input on what their member of Parliament was going to do.

There were approximately 14 letters that I received regarding gun control, 14. Out of that, they were approximately half divided. Some were for, and some against. Of course, subsequently, we have received cards and representations from both sides.

I had the advantage of having one extra ability, and that was my ability as a member of Parliament and indeed, my privilege as a member of Parliament for the Liberal Party of Canada to be able to listen to the views of my caucus colleagues, to be able to explain to them the problems that I had with this legislation and to listen to what they had to say.

• (2300)

Make no mistake, Mr. Speaker, in my view there are very serious problems with this legislation. I want to just identify them quickly for the record because to me they are of great concern.

One of these amendments would impose what is known in law as a reverse onus. It would impose on a person who has been denied the opportunity to obtain a firearms acquisition certificate to prove that he is entitled to it. The citizen has to prove that he is entitled to something as opposed to the state having to prove that he is not entitled to it. That is called a reverse onus that is contrary to the Charter of Rights and Freedoms and has been so stated by the Supreme Court of Canada on more than one occasion. That is in this bill and it is overkill. It is an attack on the individual rights of the citizen. I have a problem with this and I flag it for the hon. Minister of Justice and subsequent Ministers of Justice because I hope that they deal with it before the Supreme Court of Canada deals with it as it has done with previous reverse onuses. It is about time this House started taking responsibility for its own decisions instead of leaving the decisions to the Supreme Court of Canada.

Another concept that I have a problem with is confiscation without compensation. The bill provides that certain weapons will be illegal, cannot be possessed after a certain period of time. They will have to be turned in or whatever will happen to them, but there will be no compensation. This is dangerous. We have stood as a society against such things, against expropriation without compensation. Those people purchased weapons that were legal at the time of purchase and they will be denied compensation when those weapons are taken away from them.

There is a limitation on testamentary powers. What does that mean? That means that we are denying people the ability to give away their property by will. Is that what we want to do? A father cannot give this type of weapon in a gun collection to his or her children. Is that what we as a society want to tuck inside a criminal law bill? Have we thought about it? I do not think so.

Under the definition of genuine gun collector we have an open door to an attack on the sanctity of the home because a person who wants to be a genuine gun collector and he only has to own one restricted weapon has to agree in advance that his premises can be entered and searched to ensure that he complies with the regulations. What regulations? We have absolutely no way of knowing because there are no regulations and that is another problem.

As a former chairman of the scrutiny of regulations committee, I know the difficulty of scrutinizing regulations and of determining whether they are legal or not.

There are many other faults with this bill which I do not have time to express, however, having listened to my colleagues, I realized that these errors as I view them can be cured by this Parliament. We can change the law. We have that power. But there is one power that this Parliament does not have. This Parliament, no matter how hard it tries, whether there is the agreement of the Whips, whether it is the unanimous opinion of the House, we cannot give life to the lifeless. This bill may prevent the death of an innocent individual. I am prepared to give the bill the benefit of the doubt to save even one life because we can correct the errors.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to start off by saying that I agree with my colleague from Scarborough West. I too have had a very difficult time in analysing this legislation and I must say to my colleague, our critic for justice, that he has been very supportive in helping us through this legislation because it is complex and he has understood well that there are in fact two solitudes on this legislation. It is certainly not a rural-urban debate that is going on here. Like my colleague from Scarborough West, I have had representation here from caring, intelligent constituents who have presented briefs to me. The International Practical Shooting Confederation of Canada has been given the opportunity to make representation at the justice committee on Bill C-17. I must tell you, after reading their briefs it made it even more difficult because they pointed out in very vivid detail the flaws in this legislation. The central issue for all of us in public life today is the issue of trust. People are trusting us to make a decision on a piece of legislation like this, not just based on the headline of the bill. It is called the gun control bill, so how could you, as an urban member especially, possibly be voting against that says you are opposed to gun control? I mean, people in an urban centre, you just could not imagine doing that. Yet, when you get behind this legislation, you see that there are many, many faults in this bill. There is a lot of illusion in this bill. This is the one thing that frightens me deeply.

I am concerned that many of our constituents—and I go back to my colleague from Scarborough West— might think that this bill is really going to solve a lot of the problems that we have in terms of crime related to guns in this city, or wherever in our nation. The problem is that it is not.

I have talked to many of the people in my riding of Broadview—Greenwood, many of the policemen who walk the beat and who are exposed to firearms, day in and day out. I asked them to tell me honestly what they think of this legislation. They tell me, to a man, that they are not confident in this legislation. I spoke to Chief McCormick the other day and I said: "Chief, I have a very difficult time. I see you are on the list here of all the police chiefs in Canada supporting this legislation". He said: "Listen, Dennis, this bill is not perfect legislation, but it has things like the firearms acquisition certificate with a 28-day processing, the fact that we now put a picture on the firearms acquisition certificate. That is a plus. The training program is going to be much more extensive and in place. That is a plus to the legislation and the safeguards on storage". He did mention that he would like a national amnesty over a 90-day period. He

thought that that would go a long way. He said that for those reasons alone I should get behind this bill.

What distresses me about this whole process is the fact that this is such an important issue in our country, and yet we have only had, on the floor of the House of Commons, about six hours debate. I, quite frankly, find that not good for the people of this country. I particularly resent what happened to my fellow colleague from Willowdale last night. As he was standing on the floor of the House, and he was trying to put, not unlike my colleague from Scarborough West and not unlike myself, forward both views that exist in this important debate, the fact that there are law-abiding citizens who happen to have gun collections, who happen to be members of shooting clubs. He talked about their point of view in the debate. Debate is not just putting forward one point of view, it is listening to people in your community, or other people not just in your community but from across the country, as I listened today to the member for Timiskaming who I thought made a lot of sense. That is the purpose of this. He was doing that. I see a press release here that my colleague was accused of being a champion for the concerns of the gun lobby. There is nothing further from the truth. This is the kind of ruthless, uncaring emotion which can hurt a member for no just cause. The member was putting forward both sides of the debate, not unlike what we have been doing here tonight. I heard earlier the member for Annapolis Valley—Hants who was trying to do the same thing. It is only when we can get into listening to both sides of the debate, listening to all points of view, that we can ultimately craft a piece of legislation that is really going to serve the objective we are trying to attain.

• (2310)

I will be supporting this legislation, but I must tell you, Mr. Speaker, that I do not like it. I do not like this legislation. It is an illusory piece of legislation. I am frightened to death that we are misleading the Canadian public, that we are leaving the feeling that once this bill is passed crimes related to guns in this country are somehow magically going to disappear.

I think we are going to have to be vigilant in the implementation aspects of this legislation. As my colleague from Scarborough West said a few minutes ago the regulations have not been defined. We are handing this over to public servants who are basically going to be operating this without political input after we have passed the bill. That is not what I was elected to do when I came here. We were elected to craft legislation and after it was properly crafted, properly debated at length, put it over to the bureaucrats with all the definition attached.

What we are doing here is exercising blind faith in the bureaucracy of Canada, the Department of Justice, and I do it with trepidation. Like my colleague from Scarborough West, if it is to save just one life then we have done the right thing. I also do this because of my immense respect and trust for my colleague who is our justice critic.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I come from a rural riding in Ontario. I believe that sometimes there is a real lack of understanding in this House on the ways of life in rural Canada. Sometimes in this House we have poorly thought-out bills that may seem reasonable to urbanites and people in urban Canada but really make no sense at all to rural Canadians, especially northern Canadians.

Hunting predators of livestock is really a way of life in rural Canada, as is hunting for food and livelihood in the native and northern communities. I believe law abiding Canadian hunters and many tourists who visit Canada will also be penalized under this bill.

Many urban Canadians do not understand the way of life in rural Canada. Unless one has lived on a farm or in an isolated part of the north it is really difficult to relate to the needs of these Canadians. That does not mean that they do not have rights or that they do not have any right to be heard on this issue.

A whole sector of society is being ignored by the minister and the government in that they have proposed such a vague and ambiguous bill. I speak of it as being ambiguous in the sense that a lot of what is in this bill will be brought down through regulation. I heard the House leader of the government suggest earlier that Parliament will have the right to look at the regulations in this case. Clearly they will not. Parliament has made changes in the bill which give a lot of people who are

concerned with the regulation some sense of hope that their voice will be heard. What he failed to relate to the public is that in fact we will not be able to change these regulations. That is the whole problem. That is why there are a number of people out there who are concerned about what will be in these regulations.

I would like to take a look at what a Gallup poll said about this bill and about gun control in general. I believe strongly that this bill goes in the wrong direction. Canadians want gun control but this bill really does not address the needs of Canadians.

Eighty six per cent of Canadians felt that the courts are presently being too lenient in punishing criminals using guns. Many of my colleagues spoke earlier about the report of the special committee on the subject matter of Bill C-80. In that report they clearly indicated to the minister and to the government that they would like to see stricter sentencing for criminals who misuse firearms. A lot of this is brought out in section 85 of the Criminal Code, where it speaks of minimum sentences in these areas.

A lot of the discussion on Bill C-80 dealt with plea bargaining. The question was asked: "How can we have these minimum sentences when we have so much plea bargaining going on". It really make it irrelevant.

I would suggest that the majority of Canadians are sick and tired of criminals getting off with just a slap on the wrist from our criminal justice system. I think they would have wanted the government to bring in stricter laws in this bill and to deal with the whole issue of minimum sentences.

Eighty-eight per cent felt that the new laws should control criminals not guns, by giving out much tougher penalties to those who use a gun in any crime. Another aspect of that is the importation of illegal firearms. Canadians are concerned about illegal guns coming into their communities.

I know the hon. member for Kenora—Rainy River spoke earlier on that. He was really concerned about the fact that border guards of Canada Customs are not trained well enough on Canada's gun laws. They really have a problem with staffing and they feel there is not enough staff to deal with this very serious problem. We are not going to stop the importation of these guns.

There is no compensation for those people who will be giving up their guns under this bill. Some guns and gun collections are worth thousands of dollars. I believe that will start an illegal underground for these guns. I quite frankly think it will make the guns more valuable and as a result there will be a number of these illegal guns coming into our country from across the border.

It is incumbent upon this government if it is really serious about stopping guns in Canada that it deal with the problem it will create by not paying compensation. First I believe it is unfair not to pay compensation. Second I believe it is dangerous not to do so without first going after those people who illegally trade these guns in the underground and illegally bring these guns into the country.

• (2320)

Some 82 per cent felt that law abiding sportsmen, recreational shooters and collectors should not lose their guns because of the actions of relatively few criminals and 69 per cent felt that passing more severe laws would have very little influence on criminals.

All these results indicate that Canadians of all stripes, not just the millions of gun owners, really have some difficulty with the proposed legislation. As a safeguard Canadians for Responsible Gun Laws states with respect to the bill that its emphasis is wrong, that it does not control criminals, and that instead it tries to control guns owned by law abiding citizens which are not a factor in crime.

Police resources which could have been devoted to criminal investigations would be wasted in forcing vague, changeable regulations aimed at an estimated five to six million Canadians who now own guns legitimately.

I was looking for a quote of somebody who has spoken about such a piece of legislation. It was Jean-Jacques Rousseau who in close to 1778 said that good laws lead to the making of better ones; bad laws bring about worse. I fear that this is exactly what this piece of legislation will do.

I believe Canadians want to win back their streets from crime and violence, but let us not sacrifice the rights and the privileges of legitimate Canadians for a piece of legislation which I think does not really address the problems it is trying to address.

In the one minute I have left again I will argue like my other colleagues that it is a shame we are only given 10 minutes because of the new rules.

An hon. member: It is a scandal.

Mr. Speller: I agree. It is a scandal. In the time I have left I did want to point out a few quotes from a few people who wrote to me on this matter. This is from a senior citizen who is a sport target shooter. She says: "I am a senior citizen, 67, and this is the only sport where seniors and handicapped people can compete with young men and women on an equal basis. If I lose my large capacity magazines, I could no longer compete because changing magazines every five rounds is difficult and painful for me because I suffer from arthritis".

A number of other Canadians wrote me about the bill. A lot of them were from my riding. Unfortunately I do not have the time to read through them all. However, here is another one from a person who had actually written to the minister on it. The letter says: "None of the policies that the Hon. Campbell has put forth would deal effectively with crime. What is required is not an oppressive ban on firearms and related materials, but an effective, aggressive policy for dealing with firearms offences. I am tired of having to constantly fight for my right to enjoy my sport".

In the 15 seconds I have left I want to say that I do not support this bill quite frankly because I do not think it does what it sets out to do.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, as many have said Bill C-17 is a very difficult decision for all members of Parliament. Many people feel that the bill goes too far and many people feel that the bill does not go far enough.

For example, we all remember the massacre at l'Ecole Polytechnique in Montreal. We all hear demands to defend against violence and to control guns such as were issued just this week by Justice David Dickson of the Supreme Court of New Brunswick as he conducted the trial of Allen Leger, who was convicted of multiple murders in the Miramichi area in New Brunswick last year. It is natural that Parliament should wish to express its serious concerns in very tangible and legislative ways. Bill C-17 is such an expression. Yet there is another serious side to this issue, and that is the restraint of rights of law abiding citizens, of men and women who shoot for sport, who collect guns as artistic treasures, who hunt wildlife and game birds as a means of enjoying the great natural resources of Canada. There are also some very well organized youth training and education programs in Canada which are at risk of compromise and frustration within the umbrella of this bill.

In Fredericton we have a very active shooting fraternity. The head coach of the Shooting Federation of Canada lives in my riding, Bob Kiersttead. He has been very successful in guiding the shooting team of Canada to medal performance in international competition such as in Cuba earlier this year. In fact the president of the Shooting Federation of Canada, Mr. David Hitchcock, also resides in Fredericton—York—Sunbury. He has has been very helpful and instrumental in informing me about the points of view of those who are enthusiasts and collectors of firearms.

In communication with the Shooting Federation of Canada as this bill has come to the House, some concerns have been expressed which I would like to put on the record. The Shooting Federation of Canada feels that this bill, with all its good intent and purposes, in its present form prior to regulations actually inhibits the youth training and education programs which it conducts in the sense that it limits firearms acquisition certificates to those who are 18 years of age or older. I am advised that this still does not prevent those who are under 18 from using borrowed guns under the permit regime.

The shooting federation points out that the definition of firearms inhibits many of the air gun types of target pistols and rifles that youth use in competition. I was advised by the minister's office today that subsequent regulations emanating from this bill will address the youth education and training programs of the Shooting Federation of Canada and specify in regulation form the provisions that will make those programs effective once again.

It is going to be a commitment on my part to follow in this House the emergence and the advancement of those regulations so that in fact the works of the Shooting Federation of Canada are not compromised or inhibited in the ways it now fears.

The shooting fraternity in Canada is by and large a very responsible and effective constituency. Those in the Fredericton area, as I say, have conducted very responsi-

ble and comprehensive communication in consultation with me throughout the process of considering this bill. I believe that much has been accomplished as a result of those consultations not only by myself, the representations that I have made to my caucus colleagues and the consultations with those shooting enthusiasts from my riding, but the same process has existed right across Canada.

Some of the really significant evidence of the political process at work has been the fact that Bill C-80, which was badly flawed and unacceptable, was withdrawn. Bill C-17 has received many amendments both in committee and here in the House.

The definition of genuine gun collectors has been cast in the legislation, which is an advancement. There has been an identification of sport shooting with respect to restricted weapons. There has been an improvement generally in the normal firearms acquisition process. But perhaps most profound of all the accomplishments that I believe has been achieved is that the process of regulations has been cast in such a way that every regulation, as opposed to emanating from a bureaucratic source without challenge, under this bill must come to this House, must be available for 30 sitting days, not during vacations, not during election campaigns, to be examined by the appropriate committees of this House and of the Senate so that they might report to members of this House upon the ramifications of those regulations, so that this House might in fact debate and approve or reject those regulations.

• (2330)

It is my understanding that is only the second time in the legislative history of this House that such a process for pre-examination of regulations has been used in terms of a bill such as this one.

There is no doubt in my view that legitimate gun owners are unfairly penalized by this legislation which does attempt to offer a balance of comfort and confidence to those who fear for the safety of a violent society.

I understand, sympathize and support the concerns of all such responsible and careful citizens who do safely practice the use and ownership of firearms. However, the political process, the way of life in a free and democratic society is balanced and I believe we have achieved a form of balance in this case.

Perhaps more than most other bills, this legislation reflects the true nature of our political process in Canada. There is really no call to vote the party line on this bill. It is largely a matter of individual judgment and conscience.

Through the consultation process with our citizens, both those who use guns and those who abhor them, we have considered all sides of this issue. Through the caucus process we have wrung every amendment possible to achieve a balance and to reach a consensus.

On the basis of that balance—in respect for the concessions and compromises which have been achieved, in respect to the consensus which I have shared with my colleagues, both in caucus and in this House, and in respect for the deep concerns which are held by my constituents on both extremes of this issue—I have come to the conclusion that I will support this bill on third reading tomorrow to achieve two purposes.

Some say two solitudes, but it is two purposes that are closely integrated by this bill. The first is to contribute my own message for a less violent society in Canada and second, to contribute an equally strong message for recognition of the integrity of the legitimate gun collecting and shooting fraternity in Canada who are paying their share of a high price of freedom to achieve the purposes of this bill with respect to a more stable society.

Let us earnestly hope that their sacrifice of further limited rights will not be wasted and that Canada will in fact become a safer and more secure model of contemporary life.

If the balance of those two purposes can be achieved and served by this bill, then it will truly be an optimum demonstration of responsible consensus among the members of this Parliament.

Mr. John Manley (Ottawa South): Mr. Speaker, I am very pleased to have an opportunity at long last to speak on this bill.

We were asked not to participate at second reading and there were very few speeches given. Now that it has proceeded through committee, through report stage and on to third reading, those of us who have had an interest in it but have not been able to participate immediately in the process of bringing this legislation through to this

stage are being given this brief opportunity, although it is only 10 minutes, to state our view on it.

It is something that I have been anxious to do for the record. I have made no secret since I came here in 1988 of my belief that there should be stronger and more complete regulation of firearms in Canada. I say that without equivocation and I say that in support of this bill. I say it also while acknowledging the fact that many of my constituents have come to see me and have spoken to me of their concerns about this bill.

Many of my constituents, be they urban or not, are owners of firearms. They use them regularly either in hunting or in sports and they feel strongly that this bill does not serve their interests fairly. To them I say: I have heard your concerns. I have much sympathy for some of the technical problems that have been raised with respect to this bill, but I want to address it in more general terms on the basic philosophy behind this legislation.

I think we have heard quite eloquent speeches tonight on both sides of this issue. Where they tend to focus in criticism of the approach to control firearms, and have made notes as I listened to various speakers, they have said this bill does not get to the issue of the killers. They have said it only penalizes those who are law-abiding. They have said in essence that by trying to control firearms you are not controlling criminals because criminals do not seek firearms acquisition certificates or whatever.

I have a fundamental disagreement with that notion. My friend from Annapolis Valley—Hants said that we are looking at this from the wrong end of the telescope. I suggest that the opposite is true, that he is looking at it from the wrong end of the telescope.

The notion that we should be inhibited from regulating activities which are otherwise lawful and carried on by law-abiding people in a democratic society is simply wrong. It is a fallacious principle. We have in our Constitution a very eloquently drafted Charter of Rights and Freedoms. It speaks of fundamental freedoms, freedom of conscience and religion, freedom of thought, belief, opinion and expression, freedom of peaceful assembly, freedom of association, democratic rights, legal rights, equality rights and so on.

I believe I came to this House partly because of my great conviction of the importance of fundamental and more general freedoms. But freedoms do not exist in a vacuum. Freedoms exist because of the rule of law. Our freedom to act is inhibited by the rights of others and without that inhibition, their freedoms indeed are restrained and lost.

To look at the fact, yes, firearms may be lawful. Their possession may be in order. To begin to impose regulation on those things is to take away freedoms. To me that is completely nonsensical in a modern society. What can we do in this society without addressing law or regulation in some form or other? We cannot be employed without having registered to obtain a social insurance number. We cannot drive a car without being licensed, having taken training, having passed tests. Whatever you do in our society you confront rules, regulations of some form of other.

Surely in modern society to impose regulations on the acquisition and possession of firearms is a minimal and reasonable limitation on something that is fundamentally dangerous and also frightening to many Canadians.

Look at the statistics. I think they speak for themselves. The member who spoke earlier said they do not work. I do not understand how anyone can say gun control does not work. Look at the comparisons between Canada and the United States in these numbers. For example, I am told there was a study done comparing Seattle, Washington, with Vancouver. Despite similar over-all crime rates, Seattle had a much higher murder rate than Vancouver. The Seattle rate of murder with hand guns is almost five times higher than in Vancouver. The rate of assault using a firearm is seven times higher.

Is that because people living in Vancouver are somehow nicer than people who live in Seattle? Is it because for some reason Canadians have all of the space that my friend opposite was talking about earlier, they are more peaceful? No. It is because we have built a society in which the acquisition and use of firearms and their control has been accepted as natural and normal. The result of that has reaped for us in much lower rates of crime. Those are the indisputable facts I believe.

When we approach issues like this, let us not get the thing upside down. Let us recognize the fact that a proliferation of firearms that would result with lessened regulation would also result ultimately in more crime, in more murders and more homicides, in more assaults

with firearms. That to me is indisputable. As for those who pursue shooting as a sport, I have no problem. I earnestly hope that if there are technical problems in this bill that do interfere in some way that is unfair, those problems will be addressed in future legislation at an early time.

• (2340)

I speak, I admit, as one who does not possess, has never possessed, a firearm, but I think I speak on behalf of many Canadians who look in our daily newspapers and see classified ads for the sale of firearms, who pick up the Canadian Tire catalogue and see with some fright photographs of firearms readily available, who can walk into stores and see them on shelves.

To me, it is a very simple thing. This is something that requires regulation and control by government to protect freedom. I am not one who sees this as a further limitation on freedom but rather as a method of ensuring the most basic of freedoms, the freedoms to walk our streets and to live in peace, and to believe that we will not be assaulted. That is the fundamental freedom. That is the most important thing.

If there are concerns that those freedoms are not fully enjoyed then surely they must be addressed. That limitation is one to which we should willingly subscribe as we do to so many others.

Without having the time to go through technical details and argue for points of change or other things that I would like to see added to the legislation, I simply want to add my voice to those who say that this is a reasonable limitation of our freedom in a democratic society, to use the words of the charter of rights, and one which I think is welcome by the vast majority of Canadians.

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, it is a pleasure to take part in this debate this evening. The member for Ottawa South mentioned it in his opening remarks and I guess I am in the same category. I am on the finance committee and have not had a chance to take part in the legislative committee and all of the work it has done on this bill, and it has done a lot of work. I do have to thank the members of that committee for that. A lot of our own caucus members have done a great deal of work on this bill and I thank them for that as well.

Today I was one of those 12 or 13 members of Parliament who voted against the passage of this bill to third reading. I did it for very good reasons because there were certain parts of this bill I was uncomfortable with. To be perfectly honest, I did not understand and I had to have some clarification before I would make up my mind as to what I would do on third and final reading.

We have dealt with some very emotional issues in this House since I was elected. Mr. Speaker, I have been here only three years, the same length of time as yourself. But we have dealt with some tough ones since I have been here. We have dealt with abortion of course, the gulf war, free trade, GST, and a whole lot in between.

The two most emotional topics up until tonight for me were obviously the abortion debate and the gulf war debate.

Bill C–17 is just about in the same category as far as I am concerned. It is a very emotional debate and there is no question that there are two different points of view. There is no question at all and we have to respect that other point of view.

The hon. member for Timiskaming spoke earlier. But as the member mentioned this evening: "We didn't vote against it because we are red necks, or because we have a particular entrenched point of view". He has a particular point of view and we have to appreciate that.

One of the things that I want to mention is that we are imperfect human beings in this place on both sides of the House, trying to construct laws that we can all live with at the end of the day. Therein lies the problem. This bill certainly is not perfect and it does not even come close to being perfect. One can understand the other members in this House who speak against this bill. But at the end of the day we have to do what we feel is right, and right for the people of Canada. We are charged with responsibilities in this House and most of us take those responsibilities seriously.

But some of the comments that have been made on this bill are inaccurate. I want to focus on some of those inaccuracies as I go through this bill. One of them is the storage of firearms. Some members tonight have been heard to say that they will be breaking the law in the rural parts of Canada if the gun is not stored properly and they went through what might happen in certain scenarios. But that is not going to happen. There is some flexibility and there will be considerations built into this

bill that will not allow those things to happen in rural Canada.

When they allude to the lack of emphasis on the criminal sector and the criminal use of firearms that is also an inaccuracy. There are at least seven references to criminal activity and the criminal use of weapons in this bill, including the importation of illegal weapons into this country, for whatever use. That is covered in this bill. I do not think there is anything in there that we have to worry about in that regard. If we take the time to step through this we will find that that area has been addressed in this bill.

The other thing that has concerned many of us and it has been mentioned on both sides of this House this evening is the regulations. They will be drawn up, in a sense, by the nameless and faceless bureaucrats, as they sometimes refer to them. Some of what we would like to see happen might be side stepped and parliamentarians will not have any input into those regulations. This will be the first bill, I am told, and others have said it will be the second bill since the founding of this country that will actually go to the committee stage before those regulations are considered by the minister.

I think there is protection there for us as individual members of Parliament. We are not subjecting ourselves or the Canadian people to something over which we have lost control. I think that is very important to consider.

When we were elected to this House in 1988 and entered this House for the first time all of us knew that we would come up against legislation that we would have problems with. As individual members of Parliament, how do you address those difficulties within the inner person? Do you stand up on your hind feet and be heard, as they say, or do you just passively move on to something else and ignore some of the things you were sent here to examine and put some thought into.

• (2350)

I have no intention of doing that. I know what we are charged with here as members of Parliament. I think it is incumbent upon us to state how it is. At the end of the day we have to live with ourselves. We have to live with our constituents we represent and we have to act in a way that we can be proud of upon reflection, whether it be a year, two years or ten years down the road. We have to be able to say that we did the right thing.

I think the right thing to do with this bill is to support it. I definitely have problems with it, but if it can save just one life, and with the kinds of things that have been happening frequently within Canadian society lately, at the end of the day we can say we have done the right thing.

There is nothing Draconian in this bill. It is much, much different than Bill C–80, the one it is often compared with. Most of us in this House had some difficulty with that bill, but this one has had exhaustive study by many members of Parliament. They have spent a lot of time on this bill. The minister has been very, very considerate on this bill.

Although I voted against the passage of this bill to third reading this afternoon, some of the questions I was grappling with today have been answered. We have to live with our decisions and the only decision I will be comfortable with when I go to bed tonight is that tomorrow morning at 10.15, I will vote with the government on the passage of Bill C–17.

[*Translation*]

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I take the floor tonight to speak on a difficult subject, particularly at a time of seemingly increasing intolerance and violence. Everyday we hear about tragedies like suicides, serial murders or even murders related to petty larceny. It is sad that such tragedies are now a common occurrence.

[*English*]

The most tragic of those incidents we hear of is about a child who has injured a playmate, using a gun that just happened to be in the house.

Bill C–17 is a beginning, a first step. The stricter control of firearms in our country can only help in diminishing the likelihood of a gun being used in anger or frustration or despair. If you do not have one, if you cannot get one, you cannot use it.

The first letter I ever got on gun control came from Africa. It came from a constituent living in Nigeria, I think it was, who wrote me saying: "I just got a magazine from the gun society to which I belong. It is encouraging me to write you to oppose gun control legislation". He said, "I am writing you for exactly the opposite reason.

No responsible gun collector, no responsible hunter opposes good gun control legislation".

Since then I have received many more letters on both sides of the issue. I have read carefully all letters to me from both those interested in increased gun control and those against control.

The most persistent thing I have heard from those who do not want to see this bill pass and do not want an increase in gun control is that it does not control criminals. Hopefully, it will keep more guns out of the hands of criminals. The RCMP estimates that there are 53,000 lost or stolen guns unaccounted for in Canada. The safe storage requirements in this bill may go some way toward ensuring that number is not increased dramatically in the future.

These letters say this bill does not punish the criminal. That is true. I do not think we want a lot of criminals to punish. I think what we want to do is prevent crimes of violence. We want to prevent deaths. Our whole policing system in this country is turning toward preventative approaches to policing. The 28-day cooling off period helps ensure that guns are getting into fewer and fewer hands where they will be misused.

They say it does not reduce violent crime. However since gun control legislation was brought in, in 1978, the percentage of homicides due to firearms has dropped from 39 per cent to 29 per cent.

I have heard tonight that more people die in automobile accidents. That is true too. However there are 16 million automobiles in Canada and only 6 million gun owners. The rate of death by guns is 50 per cent higher. That totally ignores the fact that cars are used every day for many hours a day and driven many miles a day.

The 40,000-plus police officers across this country, the ones who face the threat of those guns on the street, are the ones who have asked us to pass this legislation. In fact they have asked us to pass tougher legislation than what is before us. Can we who sit here comfortably say to them who suffer the consequences of our inaction that we will not act? I cannot.

I have heard a lot of talk about freedom. I was particularly concerned when I heard the member from Fraser Valley West, who is a member I admire and respect for many reasons, say with almost tears in his eyes that his son would never enjoy the pleasures of shooting a gun across the prairies. Does the freedom to enjoy the vast spaces of our prairies mean we have to be able to shoot a bullet across it? Can we only enjoy the Rocky Mountains if we can hear the crack of a rifle in the mountains? I do not think so. To me the important freedoms are the freedom to live, the freedom to walk the streets, the freedom for my daughter to walk into her structural engineering class and know she is a little safer than those girls in Montreal were two years ago.

Some people have asked me: "Is this a different issue for women?" Yes, it is. It is a different issue because we know from the time we are very little that even when we grow up we are going to be smaller, physically weaker and more vulnerable because of it. It is something we live with every day of our lives. Our activities are constrained by it. There is a tinge of fear in our lives far more often than in those who are not women.

Anything that extends that sense of vulnerability and fear we feel is something that further limits the way we live our lives.

I do not think that the limits imposed in this law are unreasonable for the privilege of possessing something that is capable of killing and maiming. Is it unreasonable to say that you should be 18 years of age before you own a gun? I do not think so. Is it unreasonable to say there should be a more secure screening process for gun applicants? I do not think so. Is it an unreasonable limit on freedom to say you have to wait 28 days between the time you apply to acquire a gun and the day you can actually get the permit to buy that gun? I do not think so. Is it unreasonable to require that somebody has to have two people to vouch for them before they can walk out of the store with something in their hands that can kill the very next person they see? I do not think that is unreasonable.

Is it unreasonable that your photograph appear on your firearms acquisition certificate so that it is clear that you are the person who has that certificate and that you have a right to have the gun you have. I do not think there is anything at all unreasonable about that. I do not think that is an extreme infringement on anybody's freedom. My photograph is on my driver's licence. Why

should it not be on a gun certificate if I happen to have one?

Is it unreasonable that semi-automatic versions of fully automatic weapons be banned? I do not think so. I do not think it is unreasonable that military and para-military guns be banned.

We live beside the most violent society in the world, largely because of the constitutionally entrenched right to bear arms. We do not want to be like that society in the level of violence. I will never forget a friend of mine who came here from Boston, saying that the greatest joy for him of being in Canada and in Toronto, our largest city, was being able to walk around safely at night. He had never been able to do that since he was a child in Boston. He and his wife, on their first few nights, slept during the day and walked the streets of Toronto at night because it was an unexpected, unknown privilege for them to be able to do that. That is the kind of country I want to try and preserve to the greatest extent possible.

I just have to look at the figures provided to us by the police officers and the excessively higher rate of homicides in comparable sized cities in the United States compared to Canada. A week ago all of us met with national organizations that asked us to put children first in our decision making. We all said, I am sure, that we thought that was a fine idea and that we would have a better country and a better world if we put our children first.

I think one way of putting our children first is to say that we want a society where violence is not the way we solve problems. I think putting reasonable limits as this bill does on the use of guns is one small step toward that better world for children.

Mr. Doug Fee (Red Deer): Mr. Speaker, I had not intended to speak tonight, but having sat here and listened to the debate, one cannot just sit back and hold on to things as too many things come out.

I am not going to require a whole lot of time, but I do have a few words that I would like to share with you and the House.

We have heard very much tonight and several people in the debate said things to the effect that we did not have enough time to debate. I would suggest to them that they have not taken advantage of the tremendous opportunity we have had in the past to discuss and debate this issue. It seems like a long time ago when I had my first opportunity to speak and that was on second reading on Bill C-80. Following that I was given the opportunity to sit on a special committee that came out of Bill C-80. I felt that committee had several recommendations that would have probably improved Bill C-17 more than it is had the minister and her officials chosen to take all of those recommendations.

The committee put a tremendous amount of study and work into it. A number of groups came in front of us. We received many briefs, presentations and letters, and I think we researched the issue very, very thoroughly.

Based on our report, the minister did make some changes and modifications and brought in Bill C-17. Although I did not volunteer, I was asked again to sit on the legislative committee on Bill C-17 and I did so very willingly.

For those who felt the debate was limited, I would offer to share my files, the briefs, the letters I received that cover an entire shelf in my office. We had them piled on my desk and they covered my entire desk to a depth of about 18 inches. My staff has offered the observation that reading through all of them is the equivalent of reading an encyclopaedia. We received a tremendous volume of input and suggestions.

I agree with many of the people tonight who have said that this bill is not perfect. My own personal preference was that we should be licensing users rather than looking at their weapons and firearms. We are not there. Perhaps some day we can get there, but we are not there yet.

We do have a bill that will improve firearms control and safety. The training requirements before issued with a firearms acquisition certificate, are something that have been supported by absolutely everyone. People on both sides of the issue, hunters and shooting club members have a vested interest in making sure that those who hunt with them and stand beside them on the range are qualified, competent and handle their weapons safely.

There have been a few misconceptions tonight that I would like to touch on briefly. It is my personal feeling that this bill will not impact on 99.9 per cent of those who hunt or shoot competitively.

The storage restrictions that were talked about earlier refer to collectors and those with restricted weapons. I do not think the farmer who is worried about predator control needs to be worried about storage requirements,

at least not legislated ones. I would hope that person knows enough to store his weapons safely anyway.

There was a concern expressed by some about unauthorized search premises. The committee in its deliberations introduced an amendment that made sure that we were not authorizing anyone to come into someone's house and search unless there was a reasonable reason for it.

Indeed, the amendment in the bill now states that there will be reasonable notice given in exactly the same way that we would allow a fire inspector or a wiring inspector or a plumbing inspector to come in and look at our house. Someone who is going to be restoring restricted weapons will have at some point to allow someone to come in to ensure that those weapons are stored safely. I have no objections to that. If someone is going to have restricted weapons in their house I would like some assurance that they are stored safely.

There is a concern about regulations. Many of the concerns expressed about regulations tonight have been red herrings. Regulations were possible under the existing legislation.

There is an extra added safety feature in this bill. As other speakers have said in rebuttal regulations are now going to come before the House. Elected representatives are going to have the opportunity to look at them, vet them, discuss them in committee and comment on them before they are gazetted. No Canadian need worry about regulations being snuck in. It is something that is going to become very public and open to debate.

It is very late in the day. You have been very patient. Members who are still with us tonight have been very patient. I will conclude by saying something that I have said in our committee several times. That is, I honestly believe that people in the Hunting and Shooting Federation and the Canadians who are concerned about gun control both have something in common. They and every sensible Canadian want effective firearms legislation. The only debate we have had is to determine what defines effective and what is going to work.

I am going to be supporting this bill. I pray it will help provide more effective control of the criminal use and abuse of firearms in this country.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to order made Tuesday, November 5, 1991, it is my duty to put forthwith every question necessary to complete third reading of Bill C–17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof.

The question is on the main motion. Is it the pleasure of the House to adopt the said motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): All those in favour will please say yea.

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to order made Tuesday, November 5, 1991, a recorded division is deemed to have been called and differed to Thursday, November 7, 1991 at ten o'clock.

It being 12.08 a.m., the House stands adjourned until later today at ten o'clock, pursuant to Standing Order 24(1).

The House adjourned at 12.08 a.m.

HOUSE OF COMMONS

Thursday, November 7, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

CRIMINAL CODE

MEASURE TO AMEND

The House resumed from Wednesday, November 6, consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof, be read a third time and passed.

Madam Deputy Speaker: Pursuant to the order adopted on Tuesday, November 5, the House will now proceed to the deferred division on the motion for third reading of Bill C-17, an act to amend the Criminal Code and the Customs Tariff in consequence thereof.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 60*)

YEAS

Members

Allmand
Anderson
Assad
Axworthy (Saskatoon—Clark's Crossing)
Beatty
Bellemare
Bevilacqua
Bjornson
Blackburn (Brant)
Blais
Blondin
Bouchard (Roberval)
Boudria
Boyer
Brewin
Caccia
Catterall
Chartrand
Clark (Yellowhead)
Cole
Copps
Crosby (Halifax West)
Darling
Della Noce
Dick
Dobbie
Duceppe
Duplessis
Edwards
Ferland
Fisher
Fontana
Fretz
Funk
Gagliano
Gray (Bonaventure—Îles-de-la-Madeleine)
Greene
Gustafson
Harvard
Harvey (Edmonton East)
Heap
Hockin
Hopkins
Horning
Hudon
Hunter
James
Joncas
Jourdenais
Kilger (Stormont—Dundas)
Langdon (Essex—Windsor)
Lapierre
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Lee
Loiselle
MacAulay
MacDonald (Dartmouth)
MacLaren
Malone
Marchi
Martin (Lasalle—Émard)
Mazankowski
McDermid
McLaughlin
Mills
Moore
Nowlan
Oberle
Ouellet
Peterson
Pickard
Prud'homme
Reid
Ricard
Rideout
Robinson
Rompkey
Saint-Julien
Siddon
Skelly (North Island—Powell River)
Soetens
Stewart
Taylor
Thompson
Tobin
Tremblay (Québec-Est)
Vanclief
Venne
Vien
Volpe
Wappel
Wenman
Winegard
Young (Acadie—Bathurst)—189

Althouse
Andre
Attewell
Axworthy (Winnipeg South Centre)
Bélair
Berger
Bird
Black
Blackburn (Jonquière)
Blenkarn
Bosley
Bouchard (Lac-Saint-Jean)
Bourgault
Breaugh
Brightwell
Campbell (Vancouver Centre)
Chadwick
Clancy
Clark (Brandon—Souris)
Collins
Couture
Danis
DeBlois
Desjardins
Dingwall
Dorin
Duhamel
Edmonston
Fee
Finestone
Fontaine
Foster
Friesen
Gaffney
Gauthier
Gray (Windsor West)
Guilbault
Harb
Harvey (Chicoutimi)
Hawkes
Hicks
Hogue
Horner
Hovdebo
Hughes
Jacques
Johnson
Jordan
Kempling
Koury
Langlois
Laporte
Layton
Leblanc (Longueuil)
Lewis
Lopez
MacDonald (Rosedale)
MacKay
MacLellan
Manley
Marleau
Martin (Lincoln)
McCurdy
McGuire
Milliken
Monteith
Nicholson
Nystrom
O'Kurley
Parent
Phinney
Plourde
Redway
Reimer
Richardson
Riis
Robitaille
Roy-Arcelin
Schneider
Simmons
Sobeski
Stevenson
Tardif
Thacker
Thorkelson
Tremblay (Rosemont)
Valcourt
Van De Walle
Vézina
Vincent
Waddell
Weiner
Wilbee
Worthy

NAYS

Members

Cooper	Domm
Feltham	Grey (Beaver River)
Holtmann	Kindy
Kristiansen	MacDougall (Timiskaming)
Nault	Parker
Porter	Speller
Vankoughnet	White—14

PAIRED MEMBERS

Charest	Proud

Madam Deputy Speaker: I declare the motion carried.

Bill read the third time and passed.

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

GOVERNMENT RESPONSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, pursuant to Standing Order 36(8) I have the honour to table, in both official languages, the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

POINT OF ORDER

EXPENSES OF MEMBER FOR ABITIBI

Mr. Guy Saint-Julien (Abitibi): Madam Speaker, on a point of order.

Madam Deputy Speaker: The hon. member for Abitibi, on a point of order.

Mr. Saint-Julien: Madam Speaker, I ask the unanimous consent of the House to table, in both official languages, a paper detailing expenditures totalling $70,195.41, incurred in the course of performing my duties as the member of Parliament for Abitibi during the months of July, August and September, 1991.

Madam Deputy Speaker: Does the hon. member have leave to table his paper?

Some hon. members: No.

Madam Deputy Speaker: There is no unanimous consent.

Mr. Saint-Julien: Madam Speaker, on a point of order.

Madam Deputy Speaker: The House has refused unanimous consent.

Mr. Saint-Julien: Madam Speaker, on a point of order.

Madam Deputy Speaker: Is this on another point of order or on the same subject?

Mr. Saint-Julien: Not on the same subject, Madam Speaker.

Madam Deputy Speaker: I will listen to what the hon. member has to say.

Mr. Saint-Julien: I consider this refusal as coming from the Liberals, the Conservatives and the NDP. Thank you.

Madam Deputy Speaker: The hon. member told me this was another point of order. The hon. member for Kamloops.

[*English*]

Mr. Riis: Madam Speaker, I am getting kind of sick and tired of this member trying to make the point that—

[*Translation*]

Mr. Saint-Julien: Madam Speaker—

Madam Deputy Speaker: The Chair did not recognize the hon. member for Abitibi. He does not have the floor at this time, and I would appreciate it if he would stay in his seat. The hon. member for Kamloops.

[*English*]

Mr. Riis: Madam Speaker, I just want to say I am getting sick and tired of this member somehow saying that the New Democrats are opposing his request.

It is not right. It is the third day on which he has said it and I take offence. He ought not to be getting up on these bogus points of order.

HEALTH AND WELFARE, SOCIAL AFFAIRS, SENIORS AND THE STATUS OF WOMEN

GOVERNMENT RESPONSE TO STANDING COMMITTEE REPORT

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, pursuant to Standing Order 109 I have the honour to table, in both official languages, copies of a report entitled *Living Without Fear: Everyone's Goal, Every Woman's Right.* It is the federal government's response to the report of the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women *War Against Women.*

* * *

[*Translation*]

WILD ANIMAL AND PLANT PROTECTION ACT

MEASURE TO ENACT

Hon. Gilles Loiselle (for the Minister of the Environment) moved for leave to introduce Bill C-42, an act respecting the protection of certain species of wild animals and plants.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Loiselle moves that the bill be read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read first time and ordered to be printed.

* * *

[*English*]

NATIONAL DEFENCE AND VETERANS AFFAIRS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Les Benjamin (Regina—Lumsden) moved:

That the first report of the Standing Committee on National Defence and Veterans Affairs, presented to the House on Tuesday, October 2, be concurred in.

He said: Madam Speaker, I am proud to be able to rise today and speak in support of my motion for concurrence in the first report of the Standing Committee on National Defence and Veterans Affairs.

On October 2, the hon. member for Crowfoot, the very capable chair of the committee, tabled the report in this House. In preparing to draft the report, the committee spent many hours hearing testimony from a broad range of witnesses.

I am very pleased to be able to report that members of the committee from all parties gave a sympathetic hearing to the witnesses representing former merchant mariners. When the time came to prepare our report and its recommendations there was a tremendous degree of all-party consensus and, Madam Speaker, no one knows better than you how rare and precious is a non-partisan moment among members of Parliament.

I would like in my remarks to address the realities that members of the committee came face to face with while studying the problems of our former merchant seamen. First I want to take a moment to remind the House of the committee's recommendations. The committee recommended that Canadian merchant mariners with one or more high seas, ocean-going assignments during wartime be fully recognized as veterans, and that veterans benefits be extended to them.

• (1040)

The committee also recommended that a book of remembrance, dedicated solely to merchant mariners who died in Canada's wars, be placed in the Peace Tower.

Finally, the committee recommended that the Department of Veterans Affairs encourage the construction of a suitable monument to honour the memory of Canada's war-time merchant mariners.

The committee suggested as well that Halifax would be a suitable site for such a monument.

As I have already said, the committee was unanimous in adopting these recommendations. We all agreed that the case of the merchant mariners was one that should have been addressed a long while ago, that it was crucial that Parliament act quickly because it is almost too late.

With such non-partisan agreement, I feel more than comfortable in moving concurrence in the committee's report.

Let me go back in history to the end of the Second World War. Following World War II, the Government of Canada extended a total of 18 benefits to veterans of our Armed Forces. Of those 18, only four were granted unconditionally to merchant seamen. A further seven benefits were extended to them only under certain conditions.

For example, under the Veterans Land Act, the merchant mariner did obtain benefits under the Veterans Land Act if he was disabled. How are you going to farm if you are disabled? Over 12,000 merchant seamen served Canada in World War II. Only about 3,500 are still living, and the Department of Veterans Affairs says that in 1989-90, 221 merchant seamen recipients of the civilian war allowance died, more than one every two days.

There were 1,259 of them who died in combat, the highest casualty rate in the Second World War of any of our Armed Forces. Canadian seamen served with distinction on all oceans of the world during World War II; 1,259 of them died and nearly 200 were imprisoned.

The loss of merchant seamen lives during the battle of the Atlantic was the highest proportionately of any of the allied forces during that last great conflict.

Canadian seamen who served in dangerous waters during the last great war seek today what they have sought from the end of that war, equal recognition, entitlements and the benefits now received by their fellow veterans.

Last year for the first time, the Royal Canadian Legion agreed that World War II merchant seamen should be given veteran status. It is high time we extended veterans' benefits to Canadian merchant mariners who made at least one high seas trip during World War II.

I want to remind the House that 45 years have gone by. This question has been studied for nearly half a century.

During the war most categories of merchant seamen were paid much less than their counterparts in the Royal Canadian Navy, while the risks they faced were just as great if not greater. Members of our merchant navy could not leave the service. They were bound by military discipline and orders for the duration of the war.

Canada has still failed to repay its debt to some veterans of war against Fascism. It is shameful that for 45 years government after government of both the major parties have refused to recognize adequately the contribution these courageous Canadians made during those terrible years.

I find it therefore especially gratifying to see members of the Standing Committee on Veterans Affairs, members of Parliament from all three parties, coming together with such unanimity on the need to act now.

I should add that a similar committee in the other place also held hearings and heard witnesses. It too was unanimous that merchant mariners should be granted recognition as full veterans. After the war, merchant seamen were not provided with the same benefits given other Canadians. This is puzzling since merchant seamen had been awarded the same medals given to Royal Canadian Navy veterans. Both the United States and the United Kingdom recognized their merchant seamen as veterans. Since January 1988 U.S. merchant seamen are eligible for full benefits from their veterans administration. Of course, the Royal Canadian Legion has passed a resolution calling for the Parliament of Canada to recognize our merchant seamen as war veterans.

On this issue the ball is in government's and Parliament's court. During the battle of the Atlantic, Canada's merchant navy suffered the highest casualty rate of any allied force. On October 2, the standing committee on national defence made that very obvious.

The one recommendation made by the committee was that merchant mariners be granted war veterans status and be eligible for all war veterans benefits. The hon. minister, of course, has 150 days in which to respond to the report in question. As I have said, this is an issue that has been studied to death. I respectfully suggest that the minister does not need the full 150 days to respond to the committee's report.

I am informed that the minister has engaged a retired general to determine who should be given veteran status and what the cost would be of implementing the committee's recommendations. I want to caution the minister strongly that it would be foolish and destructive to again fail to consult with the merchant mariners themselves on this issue. At some point I hope the minister will present his positive recommendations regarding merchant mari-

ners to cabinet for approval of the action required to implement the committee's recommendations.

Of course, I do not quarrel with the government's responsibility to examine the fiscal implications of any public policy initiatives, however in considering the costs of the committee's recommendations, the government must not lose sight of the ethical obligation Canadians have to our World War II merchant mariners, who have never received the recognition and reward they earned during their wartime service.

There can be no price tag on doing the right thing. We, as a people, must not let the cost of these benefits cause us to deny them to those who have earned them.

Let us consider for a moment the budget practices of the Department of Veterans Affairs over the years. According to the public accounts of Canada, the department has allowed to lapse, in other words budgetary funds they did not spend, a total of $380.8 million of its appropriated funds since the fiscal year 1982–83. In other words, the department has underspent its budget by an average of $47.8 million over the last eight fiscal years. Again, these figures from public accounts show that under the Liberal government of the day, they underspent its veterans affairs budget by $22.9 million, by $56.1 million in 1983–84, by $70 million in 1984–85. Then the Conservatives gained power and they underspent the veterans affairs budget by $45.5 million in 1985–86, $33.6 million in 1986–87, $56.6 million in 1987–88, $56 million 1988–89, and $40.1 million 1989–90.

• (1050)

The money was always there, much more than enough to award our merchant mariners full veteran's status and full veterans' benefits retroactively.

The Royal Canadian Legion says it will cost about $10 million a year to implement the committee's recommendation. The Department of Veterans Affairs has said it will take $20 million. In either case the department has plenty of room in its budget right now to do justice by our merchant mariners.

As I have said so many times over the years, our merchant mariners were mistreated and ignored by a succession of Canadian governments and by the Canadian people and by the Canadian Parliament. The figures I have just cited show that in fact the money was always available and is available today to extend full benefits.

The House of Commons veterans affairs committee was unanimous in its support of our merchant mariners and has tabled an excellent report which offers very positive recommendations. I am only sorry that the report is silent on the fate of merchant seamen and the merchant fleet after World War II and into the fifties.

After the war came the final insult for Canadian merchant seamen. Those who survived the war and stayed in the fleet found their jobs sold out from under them and U.S. gangsters imported to destroy their union. The destruction of the merchant fleet and the importation of Hal Banks and his methods meant that many merchant seamen were deprived of their livelihood after gallantly serving their country at great personal risk.

This would have been a strong argument in favour of extending to merchant navy veterans the same vocational training benefits that were given to other veterans. I was one who got the benefits of vocational training after my discharge. It is too late now to do that for the merchant mariners.

There remains the question of retroactivity for some other benefits. Why not, for example, extend to merchant seamen retroactive disability benefits to eligible veterans? There are other benefits that merchant seamen were denied that could and should be at least partially restored. The clothing allowance that other veterans receive could be extended as well as some elements of the veterans' business and personal loan benefits.

Last week while speaking to my private member's bill on this subject I told the House last spring Gordon Olmstead came to Parliament looking for something denied him for almost half a century, recognition. The Second World War veteran and prisoner of war should have been entitled to the benefits offered to other veterans by a grateful nation. But Gordon Olmstead served with Canada's merchant marines and the federal government still refuses to acknowledge the contribu-

tions and sacrifices made by those who served in that fleet.

This spring Mr. Olmstead and other merchant marine veterans appeared as witnesses before the House of Commons standing committee. Their goal was to obtain legal recognition of their status as war veterans. During their testimony we heard again and again the statistics that I have already cited. To suggest for one moment that they were civilians not eligible for benefits from the armed forces is totally negated by the fact that they were under military command, control, and orders. In fact the Royal Canadian Navy on many ships provided a gun crew of three, four, five or six men. Many merchant seamen were trained on how to handle four-inch guns, 50-calibre machine guns, Bofors or pom-pom guns. They carried on the military part of defending their ships in their convoys. If that does not make them part of the armed forces, I do not know what would.

Our wartime minister called them the fourth arm of our armed forces. There are only about 3,500 of them left and some surviving spouses and maybe some surviving children. It is no wonder that Canada's Minister of Transport called them the fourth arm.

Sadly this sentiment was conveniently set aside when the war ended in 1945. When it was time to honour and reward our merchant seamen their service was ignored.

This is the least our nation, our Parliament and our government can do in order to show its gratitude and rectify a terribly sad wrong. Merchant seamen only received three or four of the 18 benefits without condition and their dead were not given the honours they had purchased at so dear a price.

I understand the appointing of a retired general to look into this matter and cost it. I am informed that merchant seamen have already been told that they are not going to get veteran status. Well I hope that is not true. It better not be true.

It is alleged by this general that there is too much opposition to it. Nobody can tell us where the opposition comes from. I do not know of a single Canadian opposed to this measure. I call on members from all parties in a non-partisan manner to call upon and require this government to do what the committee recommends and what the other place has recommended. It is a long overdue reward to our merchant seamen. We can do no less.

I hope we can get the sentiment of the House with a vote on my motion.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I listened with interest to the hon. member's speech and I really support his arguments. I think it is a national disgrace that Canadians who helped win World War II as merchant seamen are not being given veterans' pensions.

I have friends who were merchant seamen. They made a tremendous contribution and put their lives in jeopardy for Canada.

Therefore I think they should get the pensions and all parties should support this motion.

Mr. Benjamin: Madam Speaker, I thank my hon. friend for his comments and his support.

This is an issue on which there are no parties. I hope all members will take that into consideration.

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Speaker, I too share the views of my colleague for Calgary North and I compliment the member for Regina—Lumsden, who I have known for a number of years. I got to know him especially well on the transport committee where he certainly contributed in a most constructive way in that interesting area of federal jurisdiction.

• (1100)

I also want to compliment the defence committee and the chairman from Crowfoot who produced the report. Coming from Nova Scotia I have many constituents who were mariners and I have been a member a little longer than the member from Regina—Lumsden. My constituents have written letters for so long that you give the sort of standard formal reply. I must say it was a break in a dirty day when that defence committee report came down and I think unanimously to do this.

I know we want to move on and perhaps hopefully get this to a conclusion. We have seen the changes that have occurred not only all around the world but right here in Canada, some of the history that we are trying to redress and some of the amends for what happened in earlier days. For those days it was understandable but with the conscience today, we have made apologies. Of course I am thinking of the Japanese Canadians, where governments have finally moved to redress a blot on our history. I gather also the Prime Minister made an apology to the Ukrainian community for the First World War. I must say I come from a riding where the Acadians

were expelled in 1755. I know you have to draw the line somewhere.

I just wonder what the member who moved this motion feels. Of course this is a leading question because I think I know what his answer will be. Since we have tried to make amends with these other groups who are part of our heritage, does he not feel that there is even more of a reason why government should move on this situation which has so long festered for a group of Canadians who did serve. I know of many merchant mariners in my home town who did not wear a uniform but they served. They went to Murmansk. They were torpedoed. I know one who was torpedoed three times and lived. The first girlfriend I ever had was his daughter. I know the agony that they went through when he went down. He always bounced back but he got nothing. He is dead and it is a dying group so it is time to move.

Does the hon. member believe that because we have made amends for some of these blots in our history that it is time that the government made a financial amend to these people who served so well?

Mr. Benjamin: Madam Speaker, Canada has made efforts to undo the wrongs to the Japanese Canadians and the Ukrainian Canadians which we all supported and agreed with. The Chinese Canadians still have not received a refund of the head tax that they had to pay when no other group of immigrants had to pay it. We support that, but if we can do that for these legitimate grievances and right old wrongs, surely Canadians who have been wronged are entitled to at least equal if not greater consideration than these other groups.

I hope that will be thought of by my hon. friends on all sides.

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, it is all in the family so I guess there is no offence taken of course.

It is interesting to just comment on the problem of the failure of consecutive governments to fully recognize the contribution of the mariners who served during wartime in Canada's merchant service.

It is no less service than the fighting of Fascism during the Second World War by the merchant marines. I would like to add that in the 12 years I have been in the House of Commons, it is one of the most disappointing things that I can recall. I know many of the other members in this party and the others feel the same way, that recognition has been made with the benefits accredited to other veterans of that conflict. We must grant appropriate recognition to the service that was given, the loss of life, the injuries, the loss to their families and to themselves of five years of their life in service to their country, in service to democracy and the world.

The contribution made there is a forceful and powerful one. Failure of this House to provide recognition is one of the truly sad situations that neither the Liberal government nor this government has been able to see its way clear to provide that diminishing number of Canadians with the recognition that they so truly earned by complete sacrifice during that period of time. The sacrifice was as great as any of the other organized armed forces of this country. I wonder if the hon. member might be able to comment on it.

The other thing is the extent. It is interesting how politics tend to interfere with some of these things. I really wonder what the reason for not doing it is.

I know my colleague for years has fought also for another group of veterans that has been completely denied any recognition by this House, and that is of course the veterans of the Spanish civil war. To my knowledge there is only one legislature in this country, in British Columbia, that officially recognized the contribution of 1,200 Canadians who went to Spain just before the outbreak of the Second World War to fight Fascism. Had that conflict been resolved by support of the governments of the day, we may not have seen the Second World War.

I would add my voice to urge that this government see its way clear to providing veterans benefits and medals of recognition to Canada's wartime merchant service and that that occur as soon as possible.

Mr. Benjamin: Madam Speaker, I want to thank my colleague for his remarks. Of course I agree with them. I want to say that Monday is Remembrance Day. What better way to remember and commemorate than with the government, the minister, the Prime Minister, or anybody, the chairman of our committee even, announcing today or tomorrow the intention of the government to grant full recognition as veterans to our merchant

mariners. Thus they would qualify for all the appropriate veterans' benefits.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I am glad I was in the House when this motion came forward today. I want to commend the hon. member for Regina—Lumsden for bringing this issue to the floor of the House.

Coming from Nova Scotia, more particularly representing a riding that is on the shores of Halifax harbour, I certainly understand the value of those individuals who served in Canada's merchant marine.

The one thing I have a great deal of difficulty with as a member of Parliament, because all the time we get into the cut and thrust of debate and partisanship, is that I do not know if there is anybody in this House who could possibly have any justification for disagreeing with the motion that has been put forward by my colleague from Regina—Lumsden.

Surely to goodness there are times where the issues are black and white and right and wrong. In my view this is clearly one of those issues that is that definitive. The individuals who served in Canada's merchant marine were a critical part of Canada's war effort. They worked on the fringe of it; they were in the middle of it. When those convoys assembled in Bedford Basin in Halifax harbour and went overseas they were literally sitting ducks. They knew that the job at hand was one that in many cases, and history will prove in nearly all cases, put them at greater risk than the men in uniform who were going over on Canada's supply ships or destroyers.

I was reading some articles on these merchant mariners. An article I read this morning talked about the supreme sacrifice that they made in order to ensure that the supply lines to Britain, to Europe and up to the Soviet Union were maintained and that food was getting through so that people did not starve to death behind the blockades of the Germans.

One in ten of those merchant mariners lost his life. That is 10 per cent. It is the highest loss of life of any branch of the Canadian Armed Forces in any conflict we have ever been involved with. What are they looking for? Let us be fair here. They are not looking for the moon. They want recognition of their service. They want to be treated as veterans out of uniform.

• (1110)

I just read another little piece here as the member for Regina—Lumsden was speaking. It said: "When the periscope would break the water because the Nazi submarines used to travel in packs of 10 or 12, the convoys would then speed up to try to get away from them because they were pretty deadly. When the convoys would speed away it was the vessels of the merchant marine which were usually slower that were left behind, literally sitting ducks." They were literally sitting ducks. One in ten of the men who served in Canada's merchant marine lost his life. It was one in ten. That is pretty startling.

What are they looking for today after years and years? They simply want some recognition. They want to be recognized as veterans. We have had the report of the standing committee on veterans affairs. It is conclusive and unanimous.

We have had in the other place a motion that was put forward by Senator Marshall which was ruled out of order because it was seen to be a money bill. It seems everybody in both places—forget the technicalities and niceties that we often immerse ourselves in because we do not want to make decisions—is clear that this is a wrong that we can right very easily.

We are not going to bust the bank. It is not going to cost the government billions of dollars. I am not trying to get partisan here, because every government wastes money, but I see that money was put into some ACOA projects in Nova Scotia that were absolutely ridiculous. You lost $14 million on the NFC diesel plant and you lost $11 million on this one and $10 million frittered away on that one. You see money found for particle accelerators in British Columbia, however useful that may be I do not know. You see money going for a comedy festival in Montreal.

I am not saying that they are not priorities of the government, but surely to goodness if I were an individual who served in the merchant marine and put my life on the line because I believed in the cause of the allied forces, but more particularly because I wanted to serve my country, I think I would find it pretty difficult to sit down at age 70 or 72 and try to figure out why I still love this country in that the country will not even give me the very minimum of recognizing me as a veteran and giving me full veterans' benefits including extended care.

The government has gone some distance. It has provided some benefits. Those benefits are not insignificant. Some of them are fairly major. I cannot for the life of me figure out why we just do not go that extra mile, do the right thing and recognize the service of Canada's merchant mariners.

They become less and less every year. My father is a veteran. He served with the Cape Breton Highlanders. Every year they have a reunion and every year my father is depressed after the reunion. Do you know why he is depressed? It is because every year in that one small unit there are five or six less than were there the previous year because they are dying. It is the age they are at.

We are not looking at 10,000 individuals. I think somebody has mentioned that the numbers are closer to 3,500. That is it. If the government wants to study this forever—the hon. member for Regina—Lumsden knows this—and if this thing keeps going, it will not have to make a decision because there will not be any of them left. They will be gone.

Surely to goodness, all members of this House can for once do the right thing and put a little bit of respect back in the jobs that we do here. This is something that we can all do. I would urge the minister not to study this thing any more. Let us rise above all that. It is not going to cost a lot of money. Governments have always found money for the right thing when it was obvious that the right thing was the way to go.

This is the right thing. I support the motion of the hon. member for Regina—Lumsden. I think all members of this House would support of motion of the hon. member for Regina—Lumsden. For once let us do something right. Let us pay back those people who risked their lives and whose colleagues on those vessels supplying food to Europe and to the Soviet Union gave the supreme sacrifice.

I hope that this is one of those rare occasions when this House rises above the partisanship and the nonsense that we engage in many times, does the right thing and supports this motion.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, I do have a question for the member for Dartmouth. I do not disagree with a thing he has said. I think it is a very important designation and it is one that we should work to achieve in this House.

There is one question I do have for him which has to do with the designation of a veteran. Although in Canada we do not recognize the merchant seamen as veterans, we do have programs that they come under. Although not designated as veterans they are entitled to some of the programs to which veterans are entitled. In Britain, for example, they are recognized as veterans but not entitled to the same types of programs.

I was wondering if possibly the member for Dartmouth could comment on that.

Mr. MacDonald (Dartmouth): Madam Speaker, I would like to welcome my colleague from New Brunswick into the debate and I appreciate his comments.

There is no question at all that the merchant mariners are entitled to some benefits. They receive a civilian war allowance equal in value to the war veterans allowance, however they are not eligible for long-term care. It is not a matter of comparison, it is a little different here. We were not under siege in Canada and these individuals were not conscripted to join the war effort. The people we are talking about in Canada's merchant marine could have stayed home in Halifax or in Saint John, New Brunswick or in other places and they could have plied the Canadian waters if that was what they wished to do. They would not have had to worry about putting their lives on the line in the war effort. They made a very conscious decision to support Canada's war effort.

From what I have read and from what I have been told by some of the merchant mariners who have approached my office to try to ascertain how much support would be in this House for the type of motion that the member for Regina—Lumsden brought, they are not looking for a lot, they are looking for very little. I have heard that some veterans are concerned and are saying we have to address all of the outstanding concerns they have before we go and give to somebody else.

This is not one of those cases in which if you give and if you do what is right with the merchant mariners, that of necessity, it is going to take away from what should be the government's commitment to those other individuals who served in uniform, those other veterans.

As I said earlier, we are not dealing with an expanding group. Because of the advances of time, and age takes its toll, we are dealing with a diminishing group of individuals here.

As far as what Great Britain does, I do not think we should look over there and say that if it gives less benefits therefore that is what we should do. I think there is a recognition in this country that the efforts that Canada put forward with the allied forces in the Second World War were fairly unique. I think that the contribution of the merchant mariners was very unique and they deserve nothing less than full recognition and full benefits as has been proposed.

Ms. Lynn Hunter (Saanich—Gulf Islands): Madam Speaker, I am pleased to be able to add my comments to this debate.

At this time when the credibility of politicians is at its lowest, my colleague from Regina—Lumsden has been involved in this issue for years and years. I think we could address a long-standing grievance of the merchant marine seamen as well as improve the credibility of this House and politicians generally if we did the right thing and acknowledged the kind of grievance that a line of governments have perpetrated on those people.

As someone who was born after the war, I think we forget the kind of horrors that these people experienced, the kind of courage they had to have to do the work they did. As I go each year as the member for my riding to lay a wreath at the veterans' cenotaph in my riding, I think of not just the people in uniform but all the people who contributed to the war effort to ensure the kind of democracy that we enjoy in Canada.

I hope this motion from my colleague from Regina—Lumsden finally brings this to a happy conclusion and gives those merchant seamen the recognition and the remuneration they so richly deserve.

• (1120)

Mr. MacDonald (Dartmouth): Madam Speaker, I want to compliment the member from British Columbia for her comments. I think she is entirely right. There are certain things that we can do here. Sometimes when get on the floor of the House we automatically fall into positions that if the opposition puts a motion forward the government members necessarily have to come forward and say it is bad. When the government comes forward with motions the opposition necessarily says that the government's motions are bad.

We are trying to reform this place. It is in desperate need of reform. We have to put some respect back into the institution and we have to earn that respect. This is one of those issues that would go a long way to earn respect of Canadians for what we do here.

We have gone through some other things. We have done some committee work. We are pre-studying and trying to give more leeway to backbench members. This is an ideal opportunity. I cannot think of a better opportunity since I have been elected. This is an ideal opportunity for all the members who are currently present in the House to forget what they are being told by their party whips and to do what they think is right and that is vote in favour of this motion. If we did that, maybe it would be the start of a new day and maybe there would be a little bit more civility and a little more good work come out of this place and maybe we can get a little more respect back for the jobs that we try to do for all Canadians.

Mr. Stan Wilbee (Delta): Madam Speaker, I appreciate the opportunity to participate in the debate. I certainly appreciate what the last speaker said. I have a couple of questions that I would like to present to him. The member for Regina—Lumsden and I were just discussing the possible number of merchant seamen who would be involved. We also discussed the question of the criteria.

For example, on the west coast the CPR ships that plied the inland waters were all painted grey and blacked out and had anti-aircraft guns and so on. Some of their sister ships were used as troop ships throughout the world. The *Princess MacQuinna* was up the west coast of the island continually during those war years. This was a combat area. Taking it closer to the member's own riding, the Gulf of St. Lawrence was an area of enemy activity.

I guess the question is: Would he have suggestions as to the possible criteria that could be presented in order for these people to be recognized for their service during these war years? We recognize that many of them were threatened. The naval vessels had the speed and the mobility to escape attack, whereas the tankers and the

freighters were sitting ducks for the submarines and other types of attack.

Perhaps the member could make a contribution with suggestions on the criteria which may be used in selecting these veterans who would be eligible if this motion did pass. Would it be the number of times of strictly deep sea service or what did he have in mind?

Mr. MacDonald (Dartmouth): Madam Speaker, I do not claim to be the definitive expert on this. I do not think we should get into qualifications which would of necessity restrict unduly those individuals who truly did serve in the merchant marines but would not be able to get benefits. We all know that the records are very hard to verify.

I have had many cases of individuals coming into my office and the records of their service, when they are trying to get the civilian war pension, just are not there. It is not there because the records were not always well kept. You can be killed just as easily by a torpedo on your first excursion as you can on your tenth.

I think what we should do is try to be very lenient. We should try to broaden the definition as much as we can to include those individuals who truly did serve. I know that in the past for the purposes of war veterans allowances and things like that, when regulations tried to define who was a war veteran, they would say they had to serve on foreign soil and so on. In some cases Newfoundland may have been the foreign soil for Canada in 1942 or 1943.

Because we are not dealing with a lot of individuals and if we agree that this is to be done, we should very quickly sit down with those most affected, the minister and some of the senior officials and ensure that the process of qualification and inclusion is as broad as possible because those numbers are diminishing very quickly.

Mr. Arnold Malone (Crowfoot): Madam Speaker, it is my pleasure to take part in this debate that has flowed from a very interesting process. The hon. member for Regina—Lumsden has set out that he thought it was a good example of co-operative work on a parliamentary committee and I believe that it is.

It is an issue that has been around for a long time, nearly 50 years now. Clearly it is there and it is not going to go away. It is high time that, through the committee system which I think has come from reform of this Parliament, that pressure be brought to bear to raise the issue to the surface and have it dealt with and set aside in a final form.

I suppose there is no other single reason for asking that our recommendations be concurred in than the simple one of it being the right thing to do. Anyone who takes a look at the merchant mariners and the service they have committed on behalf of Canada and Canadians will note the level of risk they undertook, the per cent of loss of life and the fact, as was mentioned earlier, that they were assigned by Order in Council to conduct their duties.

An assignment lasted for a period of two years. If they left ship, they were under military discipline and could not leave until their duty was completed and they accepted higher risks. All of these things would clearly lead one to the conclusion that these honourable men and women served their country in wartime, served it well and are due the recognition in a formal way that the country ought to bestow to them.

We know, because it has been mentioned, that some 70 ships of the Canadian merchant marine were lost. In addition to that, one member mentioned that 10 per cent of the lives of the merchant marines were lost in service. The comparative number is also important. It compares with about 4 per cent in all forces, or to compare it with the Royal Canadian Navy at the time, a 40 per cent higher loss of life took place in the merchant navy.

Therefore, when we couple all of that with the fact that one merchant navy ship could carry enough goods and supplies to take care of the needs of 250,000 fighting men and women in the European theatre, we recognize that the defence of freedom could not have taken place without the umbilical cord of the merchant navy. It could not have taken place without the merchant navy. All of our fighting men and women would have been lost in the battle of war without a supply of food, ammunition, metals and materials brought to them by those persons who were so ordered by the Government of Canada some 50 years ago and who did so under military assignment and direction. They went with poorly armed ships often with either no escort or very thin lines of escort service into the battle of the Atlantic.

Once the Germans had captured a significant part of Europe, particularly the lowlands of Europe, then they made their targets the merchant ships of North America. The merchant ships became the German targets.

• (1130)

Clearly they were an essential part of the war effort. While I will have to use a sharp scalpel, it is important, I believe, to set aside what I think is perhaps a significant misconception being set out in the debate.

I believe to this point that for those persons in our country who may be listening to us they could not help but come to the conclusion that Canada has set aside all regard for the merchant mariner. I believe this report would ask the government to close the circle because in many ways a merchant mariner today receives many of the benefits that are received by veterans of Canada. They recognize that, veterans' groups recognize that. There is a gap that remains and that is what we are asking to be reviewed for a period of time and that at the conclusion of that time, that the government respond in a positive way.

For those who know, because of the studies we have conducted and the witnesses we have heard, the enormity of assistance that has been given to our country in its efforts to defend freedom by our merchant marines, would also come to the very strong conclusion that it would only be appropriate that in the Peace Tower of this building, though probably and appropriately in a separate book, there would be a book of remembrance for those who lost their lives through their efforts as merchant marines in the defence of Canada.

I cannot believe that there will be any debate that would argue otherwise.

We live in a country that has a history so rich, descriptive, amazing, and so wonderful. However, Canadians can be accused of nothing other than being overly bashful, too inward looking, and almost zealously looking to the United States as the nation with the national symbols, afraid to build our own.

In recognizing the role that Canada played in the war years and the importance of the merchant mariners in that effort, I think nothing could be more appropriate than placing where the activity was strongest, which perhaps would be the east coast since most of them left from the port of Halifax, a recognition, be it a small museum or a cannon or something that signals our pride and our historical indebtedness to persons who manned the 70 ships that went to the bottom of oceans, to those who were injured or maimed and for those who were not but who came home to lesser conditions as veterans who so valiantly and diligently served their country on behalf of the defence of freedom.

I would concur with those who have said that it is interesting. I think it is more than interesting. I think it is appropriate that this debate is taking place close to Remembrance Day because in all of those words we have expressed over so many years, "Lest we Forget," and "We shall not forget," there has been a group forgotten too frequently. For the mariners who served in very poor working conditions, with very poor salaries, with extraordinary risk, it is only appropriate that the most thorough of examinations of the recommendations of the committee be undertaken.

It is my understanding that the department is in the process at the moment of reviewing the recommendations. I remain optimistic that they will respond and will do so positively.

Having said that, I want to remind the hon. members and particularly the hon. member for Regina—Lumsden that what his motion does is to ask for concurrence. In doing so he must ask for concurrence of the report, not for a part of the report or a section of the report but for the report. It is a part of the report to which the department has 150 days to respond.

Now we all know that we have had representatives from the Canadian Army, Navy and various other organizations before our committee and we have examined them. The department I understand is also into that process at this time. We have waited 50 years and I think that has been a sad blight on Canadian history. It is sometimes inappropriate to say if we have waited 50 years then let us just wait a short while longer. But I do believe this is a course for which we can see the end. I believe that recommendations are coming and are coming soon.

As to the question of giving veteran status to merchant mariners, one has to ask the question: Why would this be such an objection to some if the Royal Canadian Legion, members of other direct forces such as Army, Navy and Air Force, and other veterans groups will accept among their ranks merchant mariners as veterans. If they among themselves accept each other as colleagues and

partners who served for a national effort during wartime, then it is questionable as to the appropriateness for someone else, somewhere else to draw a line and to try and define a difference.

I do not know if we separate on this issue or not with the hon. member for Regina—Lumsden when he says that we must go forward and do the right thing regardless of money. I like that kind of thinking but not being a New Democrat I cannot follow through with it. I know it is always appropriate to do the right thing, but doing the ethical thing sometimes does require answering to the question of affordability because it has its own ethics to it. The money does not just get manufactured and come from some tube from nowhere to us. Affordability has to be, I believe, part of the consideration. I am not sure but I think maybe the hon. member for Regina—Lumsden would agree with that.

He will note that the recommendations were for an assignment, which is a specific word and has a connotation to it, for a trip in wartime and on the high seas. High sea does include the gulf on the west coast and the Gulf of St. Lawrence. Those are both high sea assignments. I believe that it does separate some of the crossings of a cove by a fishing boat that might have been on one occasion duty bound in the war effort. It might have carried a gun and transplanted it somewhere else. There may have been a risk at the time, but if we were to enter into that kind of consideration, I believe in affordability very much. I see the hon. member for Regina—Lumsden nodding in agreement. I did not know if that was a difference that we had or not but I believe from his non-verbal response that it is not a difference and I am pleased that is the case.

• (1140)

Let me basically conclude with this. I see a concurrence in this as a concurrence for the full report including the 150 days. I think there should be no debate at all about a monument or a book of remembrance. I think we are duty bound to recognize the enormity of the commitment that the merchant mariners made in defending freedom and putting down the aggression that was taking place in a rapid way through Europe during the periods of two of our world wars, but most significantly, the second one.

They did so with tremendous human cost. At the conclusion of the war they did not have the same benefits that were given to other veterans. That gap has been closed significantly as time has gone on and I would like to erase any connotations that might have been left, that there is a complete separation between veterans and merchant mariners because that is not factual.

What this report basically asks is for a recognition of status and that the gap be closed. I am sure that all members of the House join in that noble objective and that we can get on with one more task of righting a historical wrong. It is too bad it had to come so late in our history.

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, I want to compliment the chairman as I said earlier and add in another intervention, that produced this report.

I want to ask a couple of questions without reviewing everything that has been said. I think time is moving on here. Hopefully in his response he will not also review everything that has been said.

I agree the merchant marine or the merchant seamen should get the benefits. This came from a question to another member, the member for Dartmouth.

As the report sets out so well there are several fundamental double standards in the entitlement and how you qualify for those benefits, let alone the status of the veteran and the merchant seaman being equal. I wish he could clarify that.

I really compliment the report. I must say I was a little disturbed. I could not see which way the hon. member for Regina—Lumsden was shaking his head when the hon. member for Crowfoot was coming into the question of parting ways and talking about affordability.

He talks about affordability and the 180 days which are under the rules. The hon. member knows just as well as I that the House is master of its own procedures. When I hear the affordability which is a relevant factor but also the 180 days for the government to respond, then I am

afraid that this just may be putting the issue off for another year.

We all agree it has been delayed too long, and this is my question. As I understand it from the committee's report, if the United States, England and Australia have all moved on this issue to have equality between veterans and merchant seamen with their benefits, why is it taking us so long to move in that direction?

Mr. Malone: Mr. Speaker, I believe that the difference that separates Canada from the United States, Australia and other places is perhaps on examination more semantical than real.

I think that a close examination would find that in the United States and in Australia, it is not in fact duplication. There is the recognition of veteran status and I think that tends to lead to the next conclusion that everything else is the same.

That is not my understanding. Nevertheless that does not deviate from the main objective which is that we close the gap that presently exists between merchant marines and veterans.

On the aspect of the 180 days, I am not sure. I think the hon. member is mixing up two numbers. The time the government has to respond to our report is 150 days.

But having said that, he may be making reference to the 180 days because he was talking about discrepancies between how the merchant marine person is treated and how an armed forces person is treated. A merchant marine person had to serve at sea for 180 days and anyone else in the forces did not even have to leave Canada to get full benefits.

What the recommendation of the committee says is that they needed to be engaged in one wartime high seas activity.

Mr. Benjamin: In dangerous waters.

Mr. Malone: In dangerous waters—well, in high seas. I do not think those words were in but I will set that aside.

That is a significant recommendation made by the committee. It sets aside the 180 day requirement and makes it one of a single engagement in a high seas wartime activity.

Mr. Bob Hicks (Scarborough East): Madam Speaker, my comments are more in the way of comments to the hon. member for Crowfoot rather than a question. He may want to comment though when I am finished.

Speaker after speaker have risen this morning and in practically every case have inferred that there is a very simple solution to this problem. If there was a simple solution to the problem it would have been accomplished during the 50 years that have elapsed.

I want to draw attention to the hon. member for Crowfoot's comments about the report that our committee put out. The standing committee put out an extensive report and I would commend it to all members of the House. I am sure some members that have spoken so far have not read it yet, but I would commend first of all the reading of that report.

But the main thing I want to highlight is the fact that the ministry has 150 days to respond. Those who think there is a simple solution are suggesting that we go into adopting this motion at this point and not allow the ministry to fully analyse over the 150 day period the report that we have given to them. I think we owe the ministry that courtesy and the opportunity to try to analyse first of all the report and try to formulate the best solution to the problems that we have had enumerated here today. Finally I would like to respond to the comments that my hon. friend from Crowfoot made about funding.

I think it is very important for us to approach the solution in a very responsible way. I think it is extremely important for us to assure that the funds are designated, allocated and into place to match whatever solution has been put forward by our ministry officials.

I guess if there is a question it would be to ask the member if he cares to comment on any of my comments.

Mr. Malone: Madam Speaker, I would very much like to comment. It is really a re-emphasis but I think it is a very important one, of something I said earlier in my speech. With respect to the 150 days that the committee granted to the department to respond to our report, that is a part of the report. It is my very strong belief that if this Parliament were to give concurrence to the motion of the hon. member for Regina—Lumsden, that you give it not to a part of the report but to the report. That means that you have also asked for concurrence for the 150 days of examination. At that time we would expect that the government would come forward with a response and put something before Parliament, that we

could either speak to their response or speak to their proposal.

Mr. Les Benjamin (Regina—Lumsden): Madam Speaker, I want to thank my colleague from Crowfoot for his remarks which were of a very positive nature.

I want to say to him that because there is a limit of 150 days does not mean the government has to take the whole 150 days, it could come in tomorrow if it wanted. The ball is in its court on that one and it, obviously, under the rules has the 150 days. I hope it does not take that long, but if it does, that is fine. That is its prerogative.

• (1150)

The matter of affordability has always cropped up, even when we were increasing benefits for the veterans of the Armed Forces. It took years. The matter of affordability was continually brought up. For the last 10 years, I have not looked back beyond 1981–82, but from then until now, the Department of Veterans Affairs has never spent its whole budget, the money it was authorized to spend.

I suspect the same thing is going to happen in the current fiscal year, that there will be some number of millions unspent. I appreciate the necessity of having budgets of that size, because something could occur that would cause a large and fast drain on the Department of Veterans Affairs. I think, for example of the spouses' pensions for widows of veterans. It is turning out that there is a larger number applying than was anticipated. That is going to cost more than expected. Therefore, I understand why there is unspent money in the budget, but it is going to be the case every year. B

Would the hon. member not agree that there is the area, without requiring any extra appropriations, already in the Department of Veterans Affairs where the benefits can be afforded.

Mr. Malone: Madam Speaker, I believe that it is impossible and irresponsible on any issue, on any subject, about anything, to not consider the question of affordability. That is what Parliament is. It grows from the concept of controlling the King's purse and it is everything that we are about here.

It is very easy to put an interpretation to the kinds of requests we are asking for. Some might say that means simply the crossing of a cove in a fishing boat to take that truck a piece of equipment or some supply and then this person or persons would then become a merchant mariner subject to all of the benefits.

I believe that Canadians would say that they were not being well served if we used public funds for such an effort.

Mr. Benjamin: I agree.

Mr. Malone: The hon. member for Regina—Lumsden says he agrees. Therefore, when I used that example, extreme though it may be, somewhere in between that and the high seas activity requires a definition. In the one case there was an enormity of money that would be required that would go far beyond the government's capacity and certainly beyond the department's capacity to pay.

If the hon. member is correct in his analysis of what he told me, in a more appropriate definition there may very well be affordability. I believe what the department needs is this final process of putting together the criteria. It may well be that it should have been there before. However, the committee has done its work. Parliament is working the way that it ought to in this activity. Now let us have the 150 days. I believe and I am optimistic that there will be a positive result.

[*Translation*]

Mr. Marc Ferland (Portneuf): Madam Speaker, I am pleased to have the opportunity today to speak on this motion. As you know, I represent the riding of Portneuf which is right next to the St. Lawrence River, and where many mariners' families had several members serving in the merchant navy during World War II.

Canadians in general are under the impression that Canada was not in danger during that war, and that there were very few risks for those living in our country. Of course, no villages were bombed, nor did cities burn as was the case in all of Europe, including England.

On the other hand, people who lived along the St. Lawrence River, on the North Shore as well as the Gaspé peninsula, in fact all along the river, knew how high the risks were in Canada, even though villages were not bombed. These people knew that ships were torpedoed and sunk in the St. Lawrence River, particularly east of Tadoussac down to the Gaspé peninsula. Inside Forillon Park is Fort Gaspé, and Fort Prével across from

Gaspé protected the harbour of Gaspé, where merchant ships were organized in convoys to sail to England or elsewhere. People know the names of the 28 ships that were torpedoed, 23 of which sank in the St. Lawrence River. This happened here at home, in Canada. Everybody, including myself, believed that the seamen who had worked on board those merchant ships were recognized as veterans. So I was stunned to find out, here in Ottawa, in the Standing Committee on National Defence and Veterans Affairs that the debate as to whether we should give that status to those seamen has been going on for 46 years.

There are doubts and disagreements which certainly have nothing to do with the performance of merchant seamen during the war. However the report of the committee on national defence and veterans affairs—

Mr. Kindy: Point of order, Madam Speaker.

Madam Deputy Speaker: I apologize for interrupting the hon. member. The hon. member for Calgary North-East on a point of order.

Mr. Kindy: Madam Speaker, we don't seem to have a quorum.

Madam Deputy Speaker: Call in the members.

And the bells having rung:

Madam Deputy Speaker: The number of members is now sufficient. The hon. member for Portneuf.

Mr. Ferland: Thank you, Madam Speaker. I hope the hon. member can listen to my speech.

As I was saying before the hon. member for Calgary Northeast interrupted, the report of the committee on national defence and veterans affairs contains a statement by the Hon. J.E. Michaud, Minister of Transport at the time, who said: "Merchant seamen virtually form the fourth arm of the fighting services, and despite their reticence to blazen abroad their heroic exploits, we feel that in fairness to them and to their next of kin the Canadian public should be told of their work."

At the end of World War II, Canadian soldiers were welcomed back to this country with the well know veterans charter. Not so our merchant seamen. Why? There are several explanations. First of all, in 1945, the government at the time was faced with the enormous task of taking care of over one million soldiers. New programs had to be implemented. Veterans' hospitals across the country were packed. It was a very busy time, during which the Canadian government faced unprecedented challenges.

• (1200)

Were the concerns of merchant seamen overlooked as a result? If they were, there was a lot to overlook, because 12,000 men served in the Canadian merchant navy and more than 1,100 were killed. Or perhaps it was assumed that since the crews of ships belonging to private shipping companies were civilians, not veterans, they were not entitled to veterans benefits. I imagine the authorities thought they did not have to take care of merchant seaman. After all, they had jobs waiting for them in the flourishing Canadian merchant fleet. The future looked good, but as we know now, Madam Speaker, disillusionment soon set in.

I don't know why the veterans charter did not apply to merchant seamen, but I know there was a very obvious problem that should have been resolved long before 1991.

Canada was not the only country whose treatment of merchant seamen differed from the way it treated veterans of its three forces. We know that Australia and the United States have recognized the rights of merchant seamen to certain benefits, but this is quite recent. And it was not the case for more than 40 years.

Perhaps it took all this time to destroy certain myths. It may be that during the war, members of the Armed Forces were envious of those who served in the merchant navy. They probably thought life in the merchant navy was easier. After all, weren't merchant seamen better paid? They did not have to bow to military discipline. They had a choice. In other words, it was assumed merchant seamen had more freedom than people in uniform who had to conform to the rules of the Royal Navy.

We seem to forget that on many of these merchant ships served gunners who, while being recognized as service personnel, nevertheless obeyed the ship's captain on board. These gunners were recognized, but the civilian seamen were not.

The evidence heard by the House committee on national defence and veterans affairs as well as the sub-committee on veterans affairs indicate that we had misconceptions about life in the merchant navy. Discipline was rigourous and danger present. It took 46 years for the facts to be established. Why, do you figure, Mr. Gordon Olmstead from the Canadian Merchant Navy Prisoners of War Association told the committee: "Lack of recognition across Canada is apparent too, unfortunately. On such occasions as annual veterans' parades, Remembrance Day services, battle of the Atlantic services, there is total omission of the merchant navy's vital role."

Madam Speaker, I suggest this is sad and regrettable. It could be a reflection of attitudes that have lingered since the end of World War II. I think that men like Mr. Olmstead—merchant seamen have a real champion in him—deserve a place in the sun as well as in any parade. I know that they were well represented last year at the Remembrance Day services in Ottawa, and I am sure they will be this year again. But this is obviously a most difficult issue for many other deserving people and I know that the minister will take that into account.

We have turned a deaf ear to the queries of merchant seamen for too long. I am pleased that this government has a different attitude. It has always been prepared to hear them out. The minister has been inundated with suggestions these past few months, namely from the Senate sub-committee on veterans affairs. At the invitation of the minister, veterans' organizations have set up a special committee to examine this persistent problem and the House standing committee has tabled its report. Merchant seamen organizations made presentations.

I think that the standing committee also tabled a very thorough report that contains solid arguments. The minister will probably take some time to go through these documents properly. I also suppose that veterans affairs will have to evaluate the cost of these recommendations in relation to other priorities, and that is normal. For example, the merchant seamen ask that the eligibility criteria for the Veterans Independence Program be broadened. They are not the only ones; applications under this program are skyrocketing.

In 1981, the government gave the program a budget of $1 million. This year, we will spend $137 million for 88,000 beneficiaries in the program. Unfortunately, it is not available to all veterans, but many of them would also like to benefit from it.

As for increased spending, Madam Speaker, veterans affairs has developed an ambitious plan to increase the number of hospital beds for veterans in the future. We want a sufficient reserve of beds within five to ten years. We know what hospitals cost the provinces; we must not forget about those costs.

We therefore understand why veterans affairs is trying to obtain significant funding to meet vetarans' future needs, which I must say should include those of merchant seamen who receive disability benefits. British Columbia and New Brunswick have already signed joint agreements and other provinces across Canada are preparing to do the same thing.

I think that we must realize the broad range of benefits and programs available to veterans and their families and that these must constantly be adjusted.

Given everything I just said, which is good news for veterans, and I think my colleague will admit it, I still deplore the lack of information Canadians have about the sacrifice these people had to make to give you and me and all Canadians the standard of living we enjoy today.

I often wonder why the government-owned television and radio do not interview these merchant seamen in the week following November 11 or the weekend before. Why do we not see them on television? Why are we not given information about them?

Some hon. members: Hear, hear.

Mr. Ferland: The National Film Board has piles of documentaries, but people do not know what Canadian troops did and the sacrifices they made. So how could they be aware of the sacrifices the merchant seamen made in the last war or even the Korean War and the 1914-18 war. The families of these people do not even know what their fathers and uncles went through and had to suffer. I think that is absurd.

I have the feeling that the military is something of a taboo subject. Since Canada was never bombed, we might think that we do not need to talk about it to our children. Well, come on! Perhaps our children should know the price that had to be paid for us to have the privilege of living in this country, Canada, and enjoying this standard of living.

I hope that some people in this country can produce radio and television programs so that this weekend and next week we can see films, documentaries and interviews with the men and women who served our country in those wars and can tell us what they suffered so that we will understand what price they had to pay to give us this kind of life. I hope that I have been heard.

I hope that my colleagues in this House will also do all they can when they meet our reporter friends around here to bend their ear and tell them that maybe this weekend and next week, they could do something, Madam Speaker, so that Canadians really understand the importance of the report that we tabled in this House.

• (1210)

In my opinion, the three recommendations—which is not a whole lot—are extremely important. The first one says that the Canadian merchant seamen who went to sea at least once in wartime be considered full fledged veterans and be allowed to enjoy all the benefits granted to veterans. Of course there is a price for that. But we found a way to correct the mistakes made against Canadians of Asian origin and Italian origin. Can we not do the same for Canadian citizens? I hope that all members of the House will apply the necessary pressure, as I will.

Of course, I cannot commit myself today to spending money before I know how much. Are we talking about $500 million, $20 million or $100 million? I believe my colleague will agree with us on that issue. We have to know what kind of money we are talking about. But, Madam Speaker, we must make every effort to give those seamen their due.

The second recommendation says that a remembrance book with the names of those merchant seamen who died during the wars in which Canada participated should be prepared and put in the Peace Tower. That is obvious. It is not expensive and it should have been done years ago. I do not understand why it has not already been done.

Third, the Department of Veterans Affairs should promote the erection of a suitable monument to honour those who were in the Canadian merchant navy in wartime. The committee is of the opinion that this monument could be erected in the Halifax region. In fact, the suggestion to build the monument in the Halifax region was made by the merchant seamen, because most convoys that sailed to Europe or even Murmansk left from the Atlantic region, sometimes from the Gaspé peninsula, but usually from Halifax.

How much does a monument cost? What does it represent per Canadian? A quarter of a cent? How come this has not already been done? I am 49 years old and I have the privilege of living in a fantastic country. I always believed, until I started looking into this issue with my colleagues, that this had been done.

I can tell you that I am not particularly proud, as a younger Canadian, that the contribution and the sacrifices made by those people have not yet been recognized. After all, one merchant seaman in ten died. One in ten! Do you have any idea of how a merchant seaman felt when he was on a ship that was transporting ammunition and had to avoid a pack of six or seven U-boats? How do you think that seaman felt? He could not get off, because if he tried to escape, the police would go after him and take him to court, just like any other sailor serving in the Canadian navy. That seaman was subject to the same laws. He did not have a choice.

And what about those who worked on oil tankers? Once I saw a film that showed what it was like when an oil tanker was torpedoed. There were no survivors. There was literally a sea of fire. And I do not even talk about the ones who tried to save their comrades. I understand that my time is up, Madam Speaker, but I think the time has come, in 1991, to recognize the contribution of those people. And if that can reassure my colleague, I sincerely expect that by the end of February, the minister will have tabled in the House a bill that will provide exactly what he, I, all the committee members and, hopefully, all the members of this House and all Canadians want: that is to recognize the contribution of merchant seamen.

[*English*]

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, my congratulations to the hon. member for Portneuf. He had extremely good ideas and a very forceful presentation that I am sure is supported by everyone in the House.

One of the comments that was made during the debate this morning was interesting.

There is the idea that these are very complicated things and take a great deal of time. By comparison, I would like to point out to the member, and I believe it was the member for Scarborough who mentioned this, for 12 years I have been working with a group of veterans labelled the "atomic veterans".

Since 1980 an individual by the name of Al Draper has been trying to get pensions for a group of veterans that were involved in the nuclear defence force. All the members were veterans of the European conflict. Many of them were wounded and decorated.

They became involved in the nuclear defence force in Canada. They were exposed to radiation. Mr. Draper was paralysed for years. People died of cancer and a variety of ailments.

It is interesting. The government, when responding for consideration of their problems, said the radiation is not something that can be proven even though there is some strong evidence that the group was suffering seriously. It said: "It is too complicated. We cannot do it".

I remember Bennett Campbell, who was the Minister of Veterans Affairs, had been advised to seek an epidemeological study. He did. It cost $30,000—probably more than the benefits that would have accrued. It was an inclusive study that dragged on and on and on.

Finally, a member of the present government, or the previous Parliament, the Hon. George Hees, the Minister of Veterans Affairs, said: "This is nonsense. We have to immediately find a way of resolving this because these people are dying. Their families are suffering and they are failing to get the recognition".

He moved swiftly. He implemented a provision to provide that recognition. AIt was modest compared to what they were already getting but it gave recognition and protection to the surviving widows. To his eternal credit the Hon. George Hees moved swiftly and gave his word on behalf of the government that this would be in place immediately.

What I hear in this House today is that political will exists. There is no resistance on the government side or on the opposition side to this very worth-while project. I guess the next thing to happen is for the Minister of Veterans Affairs, the same way George Hees did with the atomic veterans, to stand up and say: "We accept the proposition and we will move swiftly to implement that".

There is not a government member who has stood up and said that they have an opinion that counters what I think is the will of the whole House.

[*Translation*]

Mr. Ferland: I want to thank my hon. friend for his comments. I may add that I am firmly convinced that before the end of February, the minister will be in a position to table the government's response to the questions formulated by the committee. I also hope that all members of this House will be able to support the minister's efforts to see that justice is done.

Mr. Guy Ricard (Laval-Ouest): Madam Speaker, according to the media, members of the merchant navy were unable to see the minister to explain or express their concerns about this question. But I heard that only yesterday the minister met with members of a number of associations connected with the merchant navy, that he listened to their concerns and was willing to encourage them in their efforts and perhaps help them where appropriate.

I would like to ask the hon. member whether he heard about this meeting with the minister and whether he could inform the House about the minister's intentions?

Mr. Ferland: Madam Speaker, I want to thank the hon. member for his question. He will realize I can hardly report on the meeting the minister had with the merchant seamen since I was not at the meeting myself. However, I can assure the hon. member that the minister is more than willing to consider the concerns of merchant seamen.

• (1220)

I can also inform the hon. member that the Canadian Legion and all other veterans' organizations across this country support the committee's report 100 per cent, and

they came here to tell us just that. The minister is very well informed on the situation.

I am sure the minister listened very attentively to what the merchant seamen had to say, and I am convinced they will obtain satisfaction.

[*English*]

Mr. Stan Wilbee (Delta): Madam Speaker, I certainly congratulate the speaker from Portneuf on his very thoughtful and deliberate discussion of this matter which, I believe, affects all of us.

It was just a year ago that several members of this Parliament, the Governor General and two Canadian V.C. winners, Smokey Smith from British Columbia and Colonel Tilston from Ontario, were present in the cemetery at Yokohama in Japan. While we were there we had three different ceremonies and one was at a cemetery. Members of the Winnipeg Grenadiers and Royal Rifles of Montreal, who had been taken to Japan as forced labour, had died and were buried in that country, some in that cemetery.

We visited a second cemetery and the service we had was with the Canadian members of the Korean Brigade who had given their lives and who had been taken to Japan for medical care in this case and had died in that country.

The third ceremony held in conjunction with all the other Commonwealth countries was attended by the Prince and Princess of Wales and many, many veterans from other Commonwealth countries.

The thing that struck me about this whole ceremony was that even though Canadians were buried in that ceremony, at that time they were not recognized, and it was not until this year as a result of the efforts of members of this House that the Korean war medal was created and that those who served so well in that country became eligible for that award.

It seems to me a shame that many of these Korean vets have passed on without ever knowing that their country recognized them.

What we are dealing with here today is the fact that many of these merchant seamen who five or six years earlier had perhaps finished their service for their country have not yet been recognized.

You would think that striking something like a Korean medal should not take 40 years. The member mentioned in his talk the fact that this had been going and had not been brought to a conclusion.

I would like to hear his comments that it would be much better for this country to recognize those merchant mariners who are still alive rather than trying to explain to their families, to their children and to their grandchildren how much we appreciated their service during the war. We should recognize the veterans themselves.

I would just like to hear the member comment on the length of time it has taken and to encourage the government to expedite this matter.

[*Translation*]

Mr. Ferland: Madam Speaker, all I can say is that I find it very difficult to understand why there was all this delay, just as I fail to understand why it took so long for us to recognize Canadians who served in Korea and to strike a medal for that purpose.

The only answer I was able to get was that for a long time, the Canadian forces were integrated either with the British army or with the UN forces and when medals were awarded, they were British medals. Ours is still a young country, and it was only recently that we started striking Canadian medals in recognition of military service. And I hope we will have one like the special medal that was struck for veterans of the Korean war, and high time, too. I also hope that Canada will recognize, with our own Canadian decorations, the efforts of those Canadians who gave their lives and are buried in foreign soil. They deserve our recognition, if only posthumously, and we should also recognize those who did survive. Many of those who survived were crippled for the rest of their lives. They have had to live with the suffering they endured in the course of guaranteeing our safety.

I agree with the hon. member. It is high time something was done. I don't want this debate to go on for another 40 years. I hope we finish this within the next few months, preferably as soon as possible.

[*English*]

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, I want to put on record some of my thoughts with regard to the members of the merchant marine.

A few Parliaments ago I had the honour of serving with the Hon. Daniel MacDonald who was then the Minister of Veterans Affairs. This topic of recognizing our merchant marines as we do our other veterans in Canada came up.

The former speaker mentioned that it has taken a long time to come around to the position where we recognize the sacrifice and the contribution made by the merchant marines. I and those who have served in this House are as much to blame as anyone for having procrastinated for so long.

I see today that there is agreement on all sides of this House. I have not heard anyone rise to oppose the recognition of the members of the merchant marines as we do our veterans with full honours and with full rights, I might add.

My voice is added today to those of members who have spoken in favour of this recognition. Like the others I regret that it has taken so long. I am sure that the parliamentary secretary will advise the minister involved that there is concurrence in this House with the report before us.

To say that the merchant marines have made sacrifices on behalf of our country is truly *sans dire*. It goes without saying. Yet we have waited this long to grant them veterans' status. It just does not seem fair and it does not seem right.

I ask myself why, if merchant marines are eligible for medals, including other recognition such as prisoner of war allowances, that we in this House cannot grant them full recognition for what they have done? They can receive civilian war allowances equal in value to the War Veterans Allowances. However there is one thing they are not eligible for that should be corrected and it is the long-term care.

We know that merchant marines want access to the full range of programs offered to other status veterans. This is the very least we can do. They served for us on these merchant ships which for the most part were unarmed. They were able in one ship to carry enough food to feed almost a quarter of a million people for a full week. They made these hazardous crossings of the Atlantic numerous times and they did not even have guns to defend themselves. They were more or less at the mercy of the U-boat packs which stalked them in the North Atlantic.

I ask myself why, if our allies, England, the United States and Australia have recognized the value of their merchant marines have we waited so long to recognize ours. Some of our veterans, for example, the Hong Kong veterans and the Dieppe prisoners were given extra recognition in the sense that we were able to get extra money and services for them. They deserved it because of the hurt and harm which they suffered at the hands of the enemy when they were taken prisoners of war.

In this House today, I see members who were on the veterans affairs committee when we had veterans from Hong Kong appear before us.

• (1230)

I cannot speak for them because they will take the floor in their own good time to tell of their experiences. I for one found it very difficult not to at least try to put myself in the shoes of these men who were taken prisoner and treated in such a shameful fashion.

They came to us, the government, for the services they needed because of what had been done to them on our behalf and because they were fighting for us during the war. I did not see how we could turn down their request. We did not turn down their request. We gave them what they wanted and what they needed at that time.

The only difference between the merchant marines and our other veterans, it seems to me, is that the merchant marines did not have uniforms on when they were fighting. They fought in the clothes that they wore day in and day out as they braved the hazards of the sea on our behalf. I do not think the uniform makes the man, but I can tell you that the man or the woman inside the uniform is what gives the honour and glory to the uniform which is worn.

Merchant ships in their effort to supply troops, found themselves in combat situations for which they were very ill equipped. I mention that in passing. Not only were they unarmed, but the U-boats that stalked and attacked them knew they were unarmed. I do not mean this as a pun but they were sitting ducks out in the water. Although they were carrying the majority of the supplies to our allies in England and elsewhere that were under siege, they themselves did not have the means to fight back.

It has been said here in this House many times that the conditions under which they had to live and fight were many times more deplorable than situations for our other veterans. That is not to say that the other veterans had not served well. It is to recognize that all our merchant marines were able to perform under not only the most hazardous conditions but under conditions which even our other veterans in many cases did not have to face.

We take a look at their losses and see that proportionately they suffered losses which were higher than others. Permit me to enter into the record some of the facts about the merchant marines.

When the Second World War broke out our merchant navy consisted of only 37 ships and 1,400 personnel. But by the end of the war the numbers had increased to over 180 ships and 12,000 personnel. For those who say they do not know who these 12,000 merchant marines were, I say it is very easy to find out who they were because there were logs not only on the ships but there were records kept. These people would be very simple to recognize.

During the course of the war more than 70—and I repeat that, more than 70—Canadian ships were lost and the merchant mariners suffered losses which were in excess of those of the other forces. The *pro rata* losses of the merchant navy for the period 1939 to 1945 exceeded those of the Royal Canadian Navy by 40 per cent. I say that was due to the fact that they could not defend themselves as the others could. The over-all death rate in the merchant marine was about 9.55 per cent, compared to 3.98 per cent for the three armed forces.

In addition to these casualties, 198 were taken prisoners of war and spent an average of four years in prisoner of war camps, a period which was in many instances much longer than for any of the other services.

In 1983 I again had the honour to represent Canada at Vimy on November 11, I guess almost eight years ago from the date on which I am speaking now. Many veterans came with us to Vimy and we toured not only the cemeteries but some of the battlefields where our Canadian forces were involved. It was mentioned to me at that time by a veteran of the Royal Canadian Navy that we should recognize what the merchant mariners had done for us. It sort of stuck in my mind that here we were honouring the Canadian dead of two world wars and now not one of the delegation who was there was from the merchant marines.

One of the members who spoke previously said that he had visited a cemetery in Yokohama. I believe this is close to where many of our Canadian soldiers who were taken prisoner at Hong Kong were interned during the war. They were buried there.

It might be a revelation for you and other members in this House to know that the merchant marine was very much involved on D-Day, on June 6. We had supply ships which were not right at the forefront but close enough within shelling range that they took casualties. I can attest that behind Juno Beach where our Canadian troops landed we have a Canadian cemetery and in that Canadian cemetery are members of the merchant marines.

I find it ludicrous that after all of these years these men who served side by side with our other forces and are buried with them do not have the same recognition as the others do. It is high time that we in the House of Commons and hopefully the minister who is in charge will recognize the great contribution that they made.

The motto of Canada's merchant mariners was: "We deliver the goods", and they did deliver the goods. They delivered them to England which at the time was under siege. I guess it could be said that England truly was under siege from 1939 well into 1944 when the allied troops were able to attack the bastion fortress Europe.

Where do you think all the supplies came from? How do you think the supplies got to our fighting troops? How is it that our brave men and women who were involved in the onslaught against fortress Europe were able to push our enemies back into the heartland of Europe and then finally defeat them? Where do you think those supplies came from? I say to you that those supplies were carried by our merchant mariners, the unsung heroes of the Second World War.

It was mentioned earlier that it took us quite a bit of time to strike a medal for Korean veterans. That too adds, if not to our shame, at least to our lack of recognition of the brave men and women who went to the battlefields to represent us. I think that the merchant mariners have waited long enough. I believe their due,

their right is to be recognized as full-fledged veterans of our armed forces.

The committee, as is stated here, believes that the Government of Canada should follow these recommendations and so do I. Canadian merchant marines with one or more high seas ocean going assignments during wartime should be fully recognized as veterans. Veterans' benefits should be extended to them without any exception. A book of remembrance that we would have here in the Peace Tower in Canada, and that I encourage all members to visit, should be prepared and placed in the Peace Tower. It should be solely dedicated to merchant mariners who died in Canada's wars.

The Department of Veterans Affairs should encourage the construction of a suitable monument to honour the memory of Canada's wartime merchant mariners. The committee suggested that Halifax would be a suitable area for the monument. From the information that I have about Halifax, the fact is that most of our supplies were shifted into Halifax and then transported to our friends and allies overseas.

• (1240)

Lest there be any question that members on all sides of this House are in agreement with this report and lest there be any doubt by the minister that we want action to be taken on behalf of the merchant mariners, I add my voice to those of my colleagues in my party as well as the members who have spoken from the NDP and the government to let it be known that our party categorically supports the inclusion of our merchant mariners as full-fledged veterans to be accorded all the honours and rights due to any and all veterans of the Canadian forces.

Mr. Larry Schneider (Regina—Wascana): Madam Speaker, I listened to the hon. member with care as I am sure that everyone who has spoken today has been listened to carefully. The matter that we are dealing with is a matter that is important to the history of Canada and to all Canadians. There has certainly been no question that the matter we are speaking about warrants very serious consideration, in fact warrants the conclusion at which the committee arrived.

I would like to ask a question with reference to the committee's work. The member acknowledged the standing committee for its work and I certainly agree with him entirely. However, given that the committee recommended a period of time normally provided for a response, 150 some days, does he not feel that the government should be afforded the same period to provide for this recognition in a fully appropriate and final manner which truly pays tribute to the service these men and women gave their country?

Mr. Parent: It does not seem to me that 150 days, after waiting well over 40 years, will be the make or break point.

We are trying to make the point that all of us agree that it should be done. The hon. member asked me if 150 days would be reasonable. I would prefer that it be sooner. However if it takes 150 days to get everything straightened out, even after 40 years, then I am very much in favour of letting the government have those days, if at the end of 150 days the deed is done and done properly.

Mr. Ray Skelly (North Island—Powell River): Madam Speaker, there are two points I would like to make that I think are worth pursuing. One is that concurrence motions put forward by the opposition often do not yield the results desired.

Would the hon. member not agree that many issues surrounding veterans affairs have dragged on too long. There have been too many instances where government has proceeded in one direction, or in fact been silent, and then years down the road the omission is corrected and suddenly the right thing done. Many people pass away during that period of time and do not receive the recognition they deserve.

What is needed now is not a delay of 150 days but for the minister to peruse the debate, study the intent of the recommendations of the standing committee, and come forward in the House under Statements by Ministers and indicate that this government supports the proposition and will move forward as quickly as possible to implement those recommendations and provide the recognition earned at such cost and commitment to Canada.

The first point is that the minister has an obligation to the House, to the country, and to the merchant service to stand up and say that the government supports the concept and it will move as expeditiously as possible. In 150 days other priorities may rise and this issue will again be put on the back burner. That would be tragic.

The second point is the issue of the Hong Kong veterans. The history of the involvement of Canadian forces at Hong Kong was a tragedy. A person I know who was there said that if there had been enough food and ammunition they would never have been taken. They fought with valour and in some respects were sacrificial lambs. They were held at North Point, in Sham Shui Po. They were hauled to Japan in the most inhumane conditions imaginable, treated as slave labour in the shipyards of Yokohama and the mines of Hokkaido.

In talking to the individual he said that the Japanese officer who handled Canadian soldiers, who were absolute slaves in the shipyards of Yokohama, had actually come from Kamloops. Undoubtedly his behaviour was reciprocal for the behaviour that had been visited on his family in Kamloops. It was an ironic twist of fate.

Certainly there was an element of prematurity in the Prime Minister's suggestion that Japanese recognition of the event was sufficient. There is still work to be done for the Hong Kong veterans to get the recognition and compensation due to them from the Japanese government for their absolutely inhumane treatment.

On the two scores it would be very productive for the Minister of Veterans Affairs to state the government's political will and its willingness to accommodate the recommendations of the committee in a timely manner as a signal so that we do not have to wait 150 days to know the intent of the government.

The second issue, you mentioned, and other members on the government side mentioned, is the tragic situation of the Hong Kong veterans. Maybe the committee can have another look at that particular chapter and determine what demands should be made on the Japanese government for fair compensation for this very tragic event in history.

Mr. Parent: Madam Speaker, I will deal with the two points raised by the hon. member. The first concerns the 150 day period. I have indicated to members opposite that I would of course be in favour of all the legislation being prepared and recognition given in a shorter period.

However it is understood at this point that 150 days would be the very maximum. There would have to be a commitment that this would be completed in 150 days, and sooner if possible. I believe I concur with the hon. member who has just spoken.

With regard to the Hong Kong veterans, like many people in this House, I too have studied as best I could what happened in Hong Kong. Our troops in some ways were ill-trained and ill-prepared to go in there. I believe it has to be said now that they were used virtually as sacrificial lambs. As a Canadian I find it very hard to accept that our young men were sent over there with the full knowledge that they were perhaps going to be getting the worst end of the deal when it came down to a battle for Hong Kong. Yet it was done.

The treatment they received at the hands of the Japanese is no less shameful than the decision to send them there in the first place. Some 45 years since the end of the Second World War, 46 years now, there has been some recognition by the Japanese government of the crimes, and I use the word purposefully, that the Japanese committed against our Canadians and the way they treated them as prisoners of war. I believe there should be compensation. There should be at least as much compensation from the Japanese for the way they treated Canadians as from us for the way we treated our Japanese Canadians who were here. We had no right to do that either.

It should be brought back to committee for discussion so that overtures can once again be made to the Japanese government to have it reconsider the fact that there should be compensation for the way our prisoners were treated at their hands.

Mr. Bob Hicks (Scarborough East): Madam Speaker, it is a privilege to rise today and speak on this matter. Before I begin making comments about the legislation before us I must pay tribute to the hon. member for Regina—Lumsden. He is a regular member of our Standing Committee of National Defence and Veterans Affairs whenever there is anything being discussed about veterans.

• (1250)

We are always guaranteed that the minute there is anything on the agenda regarding veterans, the hon. member for Regina—Lumsden is there. He is truly a champion for the merchant mariners.

Before I make other comments, I want to make it clear that this member is not the only champion, there are many champions. I must say that every member on the standing committee was fully in favour. It was a unani-

mous report that was submitted. Everyone feels very strongly about everything that is being said today.

I cannot remember participating in a debate in which all of us agreed so unanimously on the various aspects of the problems that have resulted in the last 50 years from inattention to this extremely important matter.

There is one other champion and that is the Minister of Veterans Affairs. I think he is more involved in this matter and has paid more attention to this matter than many people realize. He is the first minister who has met with the merchant mariners and, I might add, as recently as yesterday.

We all want the same thing. Everybody in this House wants the same thing. I think where we may differ slightly is the manner by which we pursue it, the avenue which we decide to go down. That brings me back once again, and perhaps this will be the last time that we make reference to the 150 days, but I have to come back to the 150 days. I have good news for everybody in the House today. It is not 150 days from today, it is 150 days from the date that the our report was tabled in this House of Commons. I have a copy of the report here but it does not have the date on it so I cannot—

An hon. member: October 2.

Mr. Hicks: October 2, all right. Forty days have gone by already. I just wanted to make that clear. Those 40 days have gone by very quickly. Before anybody knows it, the response from the minister's office and his officials will be back in this House. By then the minister's officials and the minister will have had time to analyse and formulate some excellent responses and action and hopefully allocate and designate the necessary funds ahead of time to proceed with whatever action the minister decides to take.

I think I can say that every member of this House has the utmost admiration for Canada's merchant seamen. It has been mentioned by members that so many times throughout those dreadful war years they were merely sitting ducks while the U-boats stalked the convoys. Their contribution to victory deserves to be recognized not just in words, but also through tangible compensation. They were civilians without whom the military could not have functioned.

Much has been made about what our merchant mariners are not receiving. We have been hearing that all morning. I think it is only right that the Canadian public also learn about what our merchant mariners are receiving. It is certainly not chicken feed. This year alone merchant mariners and their dependents will be receiving something like $20 million worth of benefits and all of it is indexed and tax free.

It is illuminating to recall a statistic given by the member for Regina—Lumsden in his speech last Friday. He told the House that of the 12,000 merchant seamen who served their country in the Second World War about 3,500 are still living.

Veterans affairs indicates that over 3,000 claims from merchant seaman were processed just last year. This suggests that merchant seaman are getting very fair treatment from veterans affairs in many ways and that our present legislation is wide enough for the country to assist virtually all merchant seamen who come before veterans affairs with a claim for their benefits.

In contrast, it is worth noting that about one-third of all Canadian veterans are clients of veterans affairs.

I will talk a little about the programs that fuel this $20 million pay-out and will give a few examples of how individuals are benefiting. First, there is the allowance program which gives merchant mariners in financial difficulties income support and health care benefits.

Dependents are also eligible as are survivors of veterans.

The allowance program treats veterans and merchant seamen equally. I think it is important for us to emphasize that fact. It has done so since 1962.

This program involves not only money, but eligible merchant mariners can also receive health care benefits not covered by provincial programs. Eye glasses are covered, as are prescription drugs, dental care, hearing aids and chronic care in a community bed. The only benefit available to ex-military personnel and not to the civilian groups is access to a department or contract bid.

The allowance program is one of the reasons that Canada's programs and benefits are admired and envied by veterans in innumerable other countries. I point this out because we have heard how the United Kingdom regards its merchant mariners as veterans. That may be but the United Kingdom does not have an income

support program for merchant mariners or veterans as we do here in Canada.

The Royal Canadian Legion said in its submission to our House Standing Committee on National Defence and Veterans Affairs: "The name 'veteran' without access to the benefits is very cold comfort indeed". I would suggest that merchant mariners in the United Kingdom would be prepared to trade designations for benefits any day of the week.

Let me tell the House of a case in Vancouver which might give members an idea of how well this government cares for former members of the merchant marine.

A client, whom I shall not name to spare him any embarrassment, is receiving civilian war allowance and has been doing so for many years. The veterans affairs counsellor has a one-to-one relationship with his client and has ensured for these many years that his social and medical needs are monitored and taken care of.

This man has fallen into the category of "hard to house" principally because of alcohol problems. He has been rejected as a client by many agents in the Vancouver area and all around British Columbia.

Previous private residential placements, because of this man's hard to house status, have made a permanent solution hard to find. During the past month his counsellor was able to place him in the Veteran's Memorial Manor located in the downtown east side of Vancouver.

The Veteran's Memorial Manor is a success story in itself, and because it is called the Veteran's Memorial Manor most Canadians would naturally assume that only veterans are housed there, but this gentleman is a former merchant mariner. It is important that we understand his rights in this case are those of any other veteran.

In the outside world people such as this veterans affairs client are often barely able to function. They are rejected by society. Many helping institutions with the best intentions in the world find it impossible to deal with these clients because their problems with alcohol lead to behaviour which is simply not acceptable.

These are people who need the most help. In this gentleman's case, this veterans affairs counsellor has been able to give him a clean, warm residence, help him manage his finances and provide him with a general safety net.

Veterans affairs has become this client's social court of last resort.

Mr. Benjamin: Madam Speaker, on a point of order, I apologize to my hon. friend for interrupting him but it is getting close to one o'clock.

The unanimity of this House is obvious to all. I am wondering if the hon. member would be good enough to close out his remarks now and allow the motion to be carried on a voice vote so that the government has a sense of the House of Commons.

Mr. Hicks: Madam Speaker, I paid a tremendous number of accolades to my hon. friend over there whom I described as a champion, one of the many champions of the merchant mariners.

I respect what he is doing. I respect him for bringing this to the attention of the House. I think he can understand that all members of this House all day have been in unanimity of what we must do.

My accolades do not extend farther than that. I am afraid that I would like to continue with comments.

• (1300)

I said we would not come back to the 150 day period, now it is a 110 day period. I would still insist that it is extremely important to give the minister and his ministry the amount of time properly to respond, to analyse and formulate solutions in their own way. I think it is very unfair to the ministry to hand it a report like our standing committee did and offer 150 days to process it and come in with something that only partially addresses all of the things in that report.

Madam Deputy Speaker: On a point of order, the hon. member for North Island—Powell River.

Mr. Skelly (North Island—Powell River): Madam Speaker, again I raise the unanimity of the House to have this moved forward. I wonder if the speaker realizes that by continuing to speak he destroys the opportunity of the House to express its wish to implement these recommendations.

The second point is that it is not unfair. This is the purpose of these committees. This was the government's commitment to strengthen the committee.

Madam Deputy Speaker: The hon. member is asking the Speaker if she realizes what she is doing. This is what the hon. member has said. I do know the rules of this House. I have heard the hon. member for Regina—Lumsden. I am not to decide whether there is unanimity in this House. I gave the floor back to the person who had the floor and it was that person's decision as to whether this was being brought to a close. It was not the Speaker's decision.

It being one o'clock, I do now leave the chair until two o'clock p.m.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

INCOME TAX

Mr. John Harvard (Winnipeg—St. James): Mr. Speaker, senior citizens in Canada want to know where this government stands on the matter of quarterly income tax instalments. These tax instalments are an unfair burden on our senior citizens. Yet this government is sending out very confusing signals on this issue.

When I was successful in getting a debate on tax instalments on the floor of this House, several Tories indicated support for eliminating the instalments, but when they had the opportunity to vote, they voted no. Later however a newspaper report said the government would bring in a bill to get rid of the instalments.

What is going on? Why will the government not come clean? Why can it not support our seniors? These tax instalments have to go. It is time the government stood up for senior citizens in Canada.

[*Translation*]

BILL C-17

Mr. Jean-Marc Robitaille (Terrebonne): Mr. Speaker, just a few hours ago, by passing Bill C-17 on third reading, the members of this House expressed Canadians' firm intention to live in a non-violent society that respects the rights of its citizens.

The passing on third reading of a bill that restricts access to firearms illustrates today more than ever before a sense of Canadian pride as well as the expression of a social choice. This initiative, which has the support of the great majority of Canadians, also brought together all members of this House, and this is to the credit of the minister responsible, the hon. Minister of Justice, and the government.

I hope that our honourable senators will also respect the will of Canadians and ensure speedy passage for the bill.

* * *

[*English*]

ALEXANDER MACKENZIE BICENTENNIAL

Mr. Ray Skelly (North Island—Powell River): Mr. Speaker, in 1793 Alexander Mackenzie became the first white man to cross Canada by land. On the last leg of his journey to the Pacific he made contact with 30,000 people in the Bella Coola Indian territory. The Bella Coola civilization stretched back 10,000 years. Contact with Mackenzie and his followers resulted in the destruction of that civilization.

The Alexander Mackenzie Bicentennial provides Canadians with an opportunity to express recognition and respect for aboriginal culture as a rich and vibrant part of our nation's history. It also provides us with an opportunity to return to the Bella Coola Indians stolen artefacts which are now held by Canadian museums and private collectors.

Canada should build an interpretive museum in Bella Coola to commemorate the Bella Coola civilization and to house their returned artefacts.

Mr. Speaker, as an honorary patron of the Alexander Mackenzie Bicentennial you, Pierre Berton and Peter C.

Newman could visit Bella Coola and aid in this process of restitution and recognition of native culture.

* * *

CROATIA

Mr. Jim Edwards (Edmonton Southwest): Mr. Speaker, it is time to re-examine our policy toward Croatia. Our condemnation 12 days ago of the vicious and continuing attack on Dubrovnik, Pearl of the Adriatic, is welcome, but not enough.

Dubrovnik has no military significance, yet Yugoslav artillery, grenade and rocket attacks have targeted the music academy, the second oldest synagogue in Europe, and have put some of the world's art treasures at risk.

Martin Bell of the BBC described yesterday as Dubrovnik's worst day in its thousand-year history. Sixty thousand people are trapped in that city without food, water, electricity or communications.

From Vukovar to Samobor and along the Dalmatian coast, 5,000 Croatians are dead, 10,000 wounded and over a quarter million homeless. A 12-week siege has reduced Vukovar to rubble. There is no surrender, though not a building is standing.

I call on our government to re-examine whether Yugoslavia still exists, to impose sanctions on Serbia, demand withdrawal of the Yugoslav military from Croatia, and prepare for diplomatic recognition of Croatia.

* * *

MIDDLE EAST

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, history records few moments of more hope or optimism than the first round of Middle East peace talks in Madrid. Enemies from many perspectives looked into each other's eyes, the political process had started.

Co-sponsored by the United States and the Soviets, this effort represents a positive sign for Israel and its neighbours that after 43 years, a just, safe and secure peace may be on the horizon.

An important corridor to bilateral negotiations leading to the multilateral stage is in place where Canada could have an important role. For the people of Israel, for Palestinians and for men, women and children in the region, I send this message: Our hope and hearts are with you and our desire for peace, like yours, is real and strong. No more wars. Let us all hope that you will be able to live as peaceful neighbours, respecting and celebrating your diversity with a peace that was so hard to imagine just a short time ago.

Please keep talking. Through trust, confidence-building measures and good will, you will find the way.

* * *

[*Translation*]

CANADA CAREER WEEK

Mr. Jean-Guy Guilbault (Drummond): Mr. Speaker, this being Canada Career Week, I take this opportunity to invite all young Canadians, in particular those in my riding, to be fully aware of the importance of education. Many activities are held on the theme "Start to Finish", to make students aware of the relationship between education and employment. These activities cater in particular to those students who might be tempted to drop out of school.

By the year 2000, two thirds of all new jobs will require at least 12 years of schooling. Therefore, young Canadians must think and try to match their interests and talents with changes in the labour market. They must also realize the importance of education in tomorrow's careers. If Canada is to remain competitive internationally, young people must be willing to improve their skills throughout their life and to change occupations several times in their career.

* * *

[*English*]

GOODS AND SERVICES TAX

Mr. George S. Rideout (Moncton): The New Brunswick business community is losing millions of dollars because of this government's inept goods and services tax. According to the report of the Canadian Federation of Independent Business, New Brunswick's price tag in 1991 is $268 million.

New Brunswick has paid over $100 million more than any other province in Canada. Small businesses create about 85 per cent of all new jobs in Atlantic Canada, and this is the sector being hammered by the GST. Onerous paperwork, red tape, delays in reimbursements, higher prices coupled with the enormous number of cross-bord-

er shoppers are strangling one of our greatest assets, our small business sector.

The CFIB's Peter O'Brien said it best, and I quote:

> We feel that the saddling of the New Brunswick economy with $268 million in unproductive compliance costs is a ridiculous tragedy in the middle of a recession.

Last month New Brunswick learned that we are about to lose $100 million in transfer payments. Now we learn that we are contributing more than our share to this tax boondoggle. Enough is enough. Scrap the tax.

* * *

[*Translation*]

OCCUPATIONAL TRAINING

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, when the Government of Canada implemented its Community Futures Program in Quebec in 1986, the direct supplying of in-house training was included. Nobody from the Government of Quebec objected to that. Rémi Trudel, the PQ member for Rouyn—Noranda even said several months ago that the Community Futures Committee of Abitibi—Témiscamingue was the best available forum in the community.

I agree that occupational training should be exclusively a Quebec government responsibility. A new agreement must be negotiated in order to fully meet Quebec's objectives for a training policy. Quebec workers must not be held hostage because of the constitutional process.

* * *

[*English*]

STATUS OF WOMEN

Ms. Mary Clancy (Halifax): Mr. Speaker, it is with disappointment that I rise today to comment on the response of the government to the report of the subcommittee on the Status of Women, entitled *The War Against Women*. The recommendations of the subcommittee were strong and direct in asking for direct action from the government. In response, the government has unfortunately given us fluff.

Within the recommendations there are one or two initiatives that are good, and I refer in particular to those relating to funding for projects for native women in violent situations. But, Mr. Speaker, the other recommendations are merely repetitions of government programs that are already outworn and offer nothing new.

In particular, I am distressed about the government willing only to offer support on training for judges.

[*Translation*]

The government must make it compulsory for federal judges to be trained on the issue of equality for women.

[*English*]

It is absolutely crucial, Mr. Speaker, that judges in this country be trained in the area of gender sensitization. We are very disappointed on this side of the House that the government has not taken this opportunity to implement this step and we can only say that we and the women of Canada wait for this to happen.

* * *

• (1410)

AGRICULTURE

Mr. Ross Stevenson (Durham): Mr. Speaker, the recently announced sale of 600,000 tonnes of corn to the Soviet Union is a major deal for the Ontario corn industry and good news for Ontario corn growers. The sale is the result of a line of credit first announced by the Prime Minister at the G-7 summit and reconfirmed last week when the minister for grains and oilseeds visited the Soviet Union. Three hundred thousand tonnes of corn are to be shipped before the end of 1991 and another 300,000 by the end of the first quarter of 1992. In addition, 50,000 tonnes of soya beans were included in the deal. This supply agreement should help raise corn prices out of their current slump, while at the same time provide much needed food supplies to the Soviet Union.

* * *

WORLD SUMMIT FOR CHILDREN

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, most members from all parties have signed a

declaration calling on the government to fully and quickly implement the promises made at the United Nations World Summit for Children in September 1990.

It had been agreed that this afternoon a motion of support for the promises of the world summit for children would be introduced. The motion was just one speaker from each party encouraging the support of the government's effort to implement these vital promises to our children and to the children of the world.

Now, that benign non-partisan motion has been kiboshed by the minister of health, the minister for public relations and the minister of external affairs. The government's commitment to children's rights, both in Canada and throughout the developing world, must now be called into question.

The House hopes that these ministers will soon change their minds and support the motion agreed to by all New Democrats, most Liberals and a good portion of the Tories and Independents in this House.

* * *

[*Translation*]

TREMPLIN TRAVAIL

Mr. Jean-Luc Joncas (Matapédia—Matane): Mr. Speaker, I want to congratulate an organization from my riding on receiving the Gérard Roussel award, given by the *Fédération des Caisses populaires* to a non-profit organization involved in regional development.

Tremplin Travail was established in 1986 to help unemployed youths enter the labour market. Through various means, it has helped a few hundred young people find a job. Assistance is provided in areas such as personal communication, job search, acquiring the skills required for a specific job, exploratory internship and internships in firms as well as occupational health and safety courses.

Since it was established, Tremplin Travail has received over $3 million in financial assistance from Employment and Immigration Canada to give our youths a chance to enter the labour market.

This is a positive step this government has taken for our youths in these areas and I want to thank Tremplin Travail from Amqui for its contribution to our basic employment skill training programs.

* * *

[*English*]

A LINE IN THE DIRT

Mr. Maurice Foster (Algoma): Mr. Speaker, today in the gallery we have several representatives of a grassroots farm organization called A Line in the Dirt from the Lucknow area of southwestern Ontario. They organized a rally of over a thousand farmers, almost on the spur of the moment, in early September to protest the cutbacks in government support programs during 1990 and the lack of action by the Government of Canada in relieving the farm financial crisis gripping the country this year.

The farm protest rally in Lucknow triggered other rallies in Ontario and across western Canada. After thousands of farmers had protest rallies this fall, the government finally announced in typical fashion only one half of the assistance, identified as a shortfall in farm income last year, and no one knows even today when this small amount will be provided to struggling farmers. They were told that they would be able to meet with a senior staff member of the Minister of Agriculture today, and now even that has been cancelled.

I call on the Minister of Agriculture to meet with these farmers and meet with them today.

* * *

REMEMBRANCE DAY

Mr. Arnold Malone (Crowfoot): Mr. Speaker, Allan Fotheringham shot an arrow into the air and missed. In a press story published today under the title *MPs should stuff their poppies* Mr. Fotheringham said that it was vainglorious posturing for members of Parliament to wear poppies, and that it is a hypocrisy in their drama.

Mr. Speaker, Canada lost more than 100,000 brave men and women who defended the freedom of our country.

Canadians are thankful for the resolute commitment of our persons in uniform. We are proud of Canada and indebted to those who defended democracy and freedom.

It matters not whether one is a Liberal, a New Democrat or a Progressive Conservative. We will wear our poppies because it is the right thing to do. If wearing a poppy near the occasion of Remembrance Day is an act of hypocrisy for some members of the media, then please, Sir, may we have more hypocrisy.

Mr. Fotheringham must understand that wearing a poppy is not a reflection of a political perspective on an issue of defence, but rather is a dignified display of remembrance.

Allan Fotheringham was dead wrong. May he rest in peace.

* * *

INDUSTRIAL RESEARCH ASSISTANCE PROGRAM

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I rise to praise a government program, one so effective that it is copied by 30 countries.

Its name is IRAP, the Industrial Research Assistance Program. IRAP, through technology transfer to small and medium size enterprises, produces jobs at $6,000 a piece, a mere fraction of the cost in other programs. It is in trouble. Why? Because of funding cuts in a ruthless attempt by NRC management to fix what industry says does not need fixing: the way it delivers its product.

Its director was fired because because he supported IRAP's established mission. Its advisory committee was ignored and its chairman called an "imbecile" by NRC's president because he opposed the changes.

At NRC, there is widespread criticism of a brutal management style and a record of five charges of racial and age discrimination. This is unacceptable. It is time for a change.

If this government has a prosperity agenda, there is no better place to start than by getting NRC the funds it needs, and by giving it the kind of management it should have, and let IRAP do its job.

* * *

NATIONAL 4–H WEEK

Mr. Walter Van De Walle (St. Albert): Mr. Speaker, 4–H youth is making a difference. November 4 to November 10 is the National 4–H Week, and I would like to salute all the members and the volunteer leaders who participate in this worth–while movement.

It is 4–H that places emphasis on personal development, community leadership and responsible citizenship. The result is confident, capable and committed young people who are ready to take on the challenges of the 21st century.

National 4–H Week is an annual event created to celebrate the accomplishments of the past year and to honour the thousands of 4–H members and volunteer leaders across the country who contribute to the success of this program. In Alberta alone, there are 7,200 4–H members and 2,400 adult volunteer leaders.

I am sure I speak for all the members of this House when I say that this program is vital to the development of Canadian youth. This government will continue to support this type of youth activity because it fosters the attitude, enthusiasm and the energy needed to succeed in a competitive world.

ORAL QUESTION PERIOD

[*Translation*]

THE CONSTITUTION

Ms. Sheila Copps (Hamilton East): Mr. Speaker, in the absence of the Minister Responsible for Constitutional Affairs, my question is directed to the Deputy Prime Minister.

On the weekend in Manitoba, the Secretary of State said, in referring to section 91 of the new constitutional proposals, and I quote: "—this clause allows the federal government to do almost anything. It's a declaratory power we have never seen in the Constitution, and I don't know— It doesn't stand a chance."

Does the Secretary of State's colleague share this view? If not, why do we see this obvious contradiction within cabinet on the government's own constitutional proposals?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows that these proposals have been advanced for discussion purposes.

They are not the end of a process, they are the beginning of a process soliciting views, opinions and suggestions from all Canadians, particularly members of the House of Commons. That is precisely the way in which the hearing process is to be conducted.

I think the hon. member realizes that what is being proposed here is a way to strengthen the economic union, to create better co-ordination of fiscal and monetary policy and to try to ensure that any legislative measures that would improve the efficiency of economic union would be brought forward.

It is not being perceived or undertaken in a manner that would be unilateral in nature. There is clearly a formula under which any measures that would serve to improve the efficiency of the economic union could be implemented and that, of course, would require the concurrence of the provinces.

• (1420)

Ms. Sheila Copps (Hamilton East): Mr. Speaker, while I appreciate the minister's comments, I would like to go back again to the question.

His colleague, the Secretary of State, who presumably was involved in the discussions that led to the constitutional proposal, very clearly stated on the weekend that section 91 would not pass. The minister heard his comments. This clause, according to the minister, would permit the federal government to do just about anything. It is a declaratory power that we have never seen in any constitution. It will not pass.

Is that the position of the government? If it is not the position of the government, why is there this tremendous contradiction between the policies expressed by the minister responsible for the Constitution and the policies expressed by his colleague who worked on the very document?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I would have to look at the statement that was made by the Secretary of State. I am sure the hon. member has read the document and I think she would concur that the only time that legislation that would be used to improve the economic union could be adopted and implemented would be under the existing amending formula, which would require the support of seven provinces representing 50 per cent of the population. I do not see that as a unilateral power grab.

If the hon. member, or any other member for that matter, has any suggestions to improve the document, to achieve what is the underlying goal objective, and that is to promote a stronger political union and to promote a stronger economic union, we will obviously entertain any such discussions and recommendations.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the minister is still not answering the question. There is an incredible gap between the policy expressed by the Minister Responsible for Constitutional Affairs and that expressed by his colleague, the Secretary of State, who worked on the document. How—

Mr. Mazankowski: It isn't the government's policy!

Ms. Copps: The minister says it isn't the government's policy. How do you expect Canadians to support your constitutional proposals if you don't even have a consensus among your own ministers? That is what Canadians want to know. Why is there no consensus among the ministers themselves?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I want to assure the hon. member that this is not proposed as a unilateral power grab. It is proposed as a mechanism to improve the political unity of this country and to strengthen the economic union. That is what is proposed. That is the spirit of the proposals and it is to be done, not in a unilateral fashion, but in a fashion through co-operation and partnership and harmony. That is the goal and that is the objective of these documents.

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is also for the Deputy Prime Minister.

Canadians will wonder why it is necessary for the Deputy Prime Minister to give his explanation through the public forum of Question Period to the Secretary of State.

I want to ask him: How can the government expect Canadians to have confidence in its constitutional proposals, even as a basis for discussion, when some of the very ministers who helped write these proposals are sending out signals in their speeches and statements that they themselves have no confidence in their own proposals.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think it has been known for a long time that there are deficiencies in the economic union and there are certainly deficiencies as it

relates to the barriers that inhibit the free movement of trade in goods and services and the mobility of people and capital. Those are some of the things that we expect to address through the course of these discussions.

In so far as improving the way in which we do business as an economic union, through greater harmonization, through the reduction of overlap and duplication and through bringing together greater co-ordination of policies so that we can be seen and we can function as an integrated economic union, because we are a union that is interdependent, surely that is a legitimate goal and policy objective. That is precisely what the document advances.

Hon. Herb Gray (Windsor West): Mr. Speaker, I have a supplementary question for the Deputy Prime Minister.

Is it true, as reported today, that cabinet ministers are going to outline a new position on the economic union in a series of speeches? If so, why will not the government, instead, present these new proposals to a reconstituted joint committee? Is this the government's way of sending out a signal that it, too, has lost confidence in the leadership it has chosen for this committee?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the document speaks for itself. If the hon. member or any other hon. member wants to express a point of view or any Canadian wants to express a point of view as to how the proposals might be improved, how they might be changed in order to effect a stronger economic union and a stronger political union, obviously all of those suggestions are welcomed. That is precisely the way in which the proposals were developed and that is the way the proposals were presented. Now is the time for all Canadians to respond to it. If they have suggestions for improvements let them come forward.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister Responsible for Constitutional Affairs.

We have seen reports today that there were promises made to certain people in various provinces and, as well, reports that the economic union proposals are being rewritten. We have discussions going on throughout the country, but I want to ask the minister responsible, if there are new proposals coming forward or if there are new suggestions, is that material available now to members of the parliamentary committee and to members of this House?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, the process that we are following is quite clear and it is as follows. The Government of Canada has made serious, considered propositions on constitutional renewal, including some proposals for an economic union. Those are now before the country and we have made it clear that we invite improvement. If there are better ways to do this, we look forward to receiving suggestions as to how they can be improved.

We expect that the next step in this process will be for the special joint committee to make recommendations on the economic union and on other matters. Those might be the same as in our propositions. They may well be an improvement upon them.

There will naturally be an engagement in public debate by ministers over the intervening weeks, but there is no intention on the part of the government to change the proposals. There may indeed be some arrangements made by the special joint committee to have a discussion on economic union proposals and some consensus may emerge then that might presage where the recommendations of the joint committee would end on the question of the economic union.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): I have a supplementary, Mr. Speaker.

Today it was also reported that these new proposals for managing the economic union will be outlined in a speech by ministers. It is reported that the health minister and the Minister of National Defence had already promised the *Conseil du patronat* this would be done. On what authority are the ministers making this kind of promise?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, it was announced publicly that the Government of Canada would encourage citizens, including the *Conseil du patronat*, to make improvements in our proposals on the economic union and other aspects of our proposals.

I hope there will be active involvement by all Canadians with an interest in economic issues. And I believe we will be able to restore the effectiveness of our joint committee as a vehicle for improving these proposals.

[*English*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, this is for the same minister on the question of process.

There have been many concerns about the parliamentary committee, as the minister is well aware, and he has made some comments himself about wanting to see that committee change and develop in a more organized fashion across the country.

I want to say that from the outset this party has said, and believes still, that this must be a non-partisan process. In saying that, I want to ask the minister: Will he consider some radical surgery for the parliamentary committee, make this a truly non-partisan process and make sure that we have a parliamentary committee made up of equal numbers of all federal parties of this House?

• (1430)

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I am doing my best to make and keep this a non-partisan process, and I will continue to do that.

I have had the advantage today of some discussions with several members of the House with regard to the means by which we can get on with the work of the special joint committee. There have been some organizational problems. There are some ways in which we can resolve those problems.

If there is something else we should be doing in addition to the special joint committee, I would be interested in suggestions to that effect. But I think what is important now is that having recognized that there is a problem of organization with the committee we should come together as a Parliament interested in the future of this country and find ways in which we can make that committee an effective means by which Canadians can improve the proposals for the renewal of our country that have been put forward.

[*Translation*]

GOODS AND SERVICES TAX

Mrs. Diane Marleau (Sudbury): Mr. Speaker, the government has told us many times that it wants to dialogue and listen to Canadians, but when a group offers it conclusions that go against its own ideas, it turns a deaf ear. Unfortunately, the report of the Canadian Federation of Independent Business presents the sad reality of what is happening in Canada. My question is for the Minister of Finance. Is this government prepared to consider major changes to the GST system, which is an incredible burden for all small and medium-sized businesses?

[*English*]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I do not think the hon. member has read the CFIB report that carefully. If she reads it carefully she will see there has been a number of very serious omissions. First of all, the costs of the GST are probably seriously exaggerated for reasons the Minister of National Revenue announced yesterday and made clear yesterday.

Also the positive aspects of the GST, the transitional credit, the one-year write-off of equipment and software, and a series of other measures the government has brought in to remove the manufacturers' sales tax and all of the expenses associated with that have not been deducted from the cost. Because of that the study is seriously flawed.

Where the CFIB is most useful is when it gives services to its members. I would call upon the CFIB to fight for harmonization of sales taxes across Canada. This is the most important contribution it can make and we urge it to resume the previous position it took.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, yesterday in the House in a response to a question the minister of revenue said that the CFIB report was really a scam.

I ask the Minister of Finance: Who should one believe, the minister of revenue and his party at 14 per cent in the polls, or 25,362 small businesses across this country? Whose scam is in view?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, a very respected journalist by the name of Hugh Anderson in the *Montreal Gazette* today said that the $10 billion price tag put on GST by the small business group just simply does not add up.

Mr. Corcoran in *The Globe and Mail* said that the product was a preposterous statistical manipulation. We have Greg McDonald, a spokesman for the 3,000-member Canadian Manufacturers' Association who said: "We are not being told about a crushing cost burden but our members are generally relieved to be rid of the old federal sales tax".

Tim Reid, president of the 170,000-member Canadian Chamber of Commerce said the turf wars between federal and provincial politicians over sales taxes have to come to an end. I agree with that, and if we could get on with harmonization, that would be in the best interests of all Canadians, particularly the business community

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JUSTICE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have a devastating statistic and a question for the Minister of Justice.

As of yesterday over 50,200 criminal charges had been thrown out of Ontario courts because of critical delays in bringing charges to trial. This is proof beyond a reasonable doubt that the bottom is falling out of our criminal justice system. That number is 50,000 and growing.

What is the minister going to do about this abject failure in our criminal justice system?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, as the hon. member knows, those decisions to dismiss cases or not proceed with them result from a decision of the Supreme Court of Canada in Askov. It does reflect difficulties in the administration of justice in Ontario. As the hon. member also knows, that comes within the purview of the Government of Ontario.

A glance across the country will show that in fact it is not the same situation in all provinces. The way provinces deal with the administration of justice varies quite dramatically. My own province of British Columbia has a very different approach in a variety of key areas of the administration of justice that have prevented that kind of situation from arising.

I would suggest that the hon. member direct his concerns and his questions to the Attorney General of Ontario who bears the responsibility for that problem.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, the Minister of Justice seems to think this is not part of her responsibility.

One of the causes of the delay here is that this minister has consistently failed to fill judicial vacancies across the country. As an example, the Ontario Court (General Division) has had to carry on for months and months 10 to 15 judges short of its full complement.

The appointment of these judges was this minister's responsibility. When will she do her job and complete these appointments so that we can begin to get our criminal justice system back on track and working for Canadians?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, there are I believe about six judicial vacancies in Ontario right now which I am proceeding to fill.

In fact, with all due respect, I cannot accept that appointment of federally appointed judges has anything to do with that particular delay. There is also a problem that the allocation of judicial resources, which is a question for the provinces, is done differently in Ontario than it is done in other provinces and the flexibility of that system which enables judges to go from one district to another to deal with varying workloads. It is not as flexible in Ontario as it could be elsewhere.

I am proceeding with all due haste to fill vacancies and will continue to do so. I would, with respect, reject the hon. member's interpretation of the causes for that backlog.

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PETROLEUM INDUSTRY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, in the absence of the Minister of Energy, Mines and Resources, I have a question for the Deputy Prime Minister and Minister of Finance.

From 1980 to 1989 Canadian controlled petroleum companies generated a modest $500 million net flow of funds into Canada in their combined current and capital

accounts. By contrast, foreign controlled companies shipped out over $23 billion in the same period, almost twice the amount of Alberta's Heritage Savings Trust Fund.

My question for the finance minister is: In light of these figures, will the government abandon its announced plans to allow even greater foreign ownership and control in the Canadian petroleum industry? Will it acknowledge that Canadian control benefits Canada, that foreign control bleeds Canada?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, the Minister of Energy, Mines and Resources is out of the country on government business. As the hon. member knows, he has openly encouraged a discussion about Canada's policies with respect to foreign ownership in the oil and gas industry and has taken no position.

There is no change in the government policy on foreign ownership. In fact the hon. member should know that since 1981 the level of control and share ownership in the oil and gas industry has increased in this nation.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, the minister should know that the Minister of Energy, Mines and Resources has in fact stated his personal opinion that the final remaining impediments to complete foreign ownership should be removed. In other words, he is proposing to treat the symptoms with a further dose of the disease.

Can the minister not understand that foreign control in the oil industry is part of the problem and not the solution? Will this government not use its best efforts to aid the industry in securing Canadian investment dollars, starting perhaps with the remaining $1.9 billion which was collected by the government specifically for this purpose in the first place?

• (1440)

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I think it would be appropriate if the hon. member were to go home and consult his people, not only in Edmonton East but in the province of Alberta and throughout the oil patch, before he makes such a blanket statement as to suggest that foreign ownership is bad for the oil and gas industry.

To the contrary, foreign ownership has helped to create and drive the energy industry of western Canada. This government is willing to look at our current policies, as the minister has said, and to re-examine them from the perspective of Canada's best interest.

* * *

[*Translation*]

THE ENVIRONMENT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Deputy Prime Minister. Recently the government tabled its prosperity plan. Not a single line deals with the environment and technological applications related to it. However, the Porter report recognized that it is the industry of the future; even the weak green plan mentions it. But when the time comes to begin the fundamental economic debate about the country, the government ignores it completely. My question is: Why?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it is absolutely wrong to pretend that Canadians who are asked in the prosperity exercise to discuss basic issues to ensure the country's growth will want to ignore the environment. When the task force doing the consultation goes about its work, surely the hon. member, like many other Canadians, will want to participate and stress the importance to the country of considering environmental issues and the related industry for the country's growth. Mr. Speaker, I would not want the hon. member, when he reads the document, to limit his interest to the questions that are raised there. The country's economic future is at stake and all questions are important.

[*English*]

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, the government made it very clear in this document that it does not want to talk about the GST, that it does not want to talk about subjects it does not want to talk about, and it does not mention the environmental technologies once.

Recently the Japanese announced a fundamental transformation of their economy designed to make them world leaders in environmental technology. This is the next great frontier, yet in contrast to the Japanese the

government's prosperity paper is nothing more than warmed over mush.

My question is: What demon exists within the Tory soul that prevents them from approaching our economy in a way that will enable Canadians to match the Japanese in the environmental and the economic revolution on which they are embarked?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I do not know what the hon. member calls mush, but I do not think $150 million is mush.

We have just put $100 million into technology for solutions to stimulate environmental industries. We have just put $50 million into the universities for environmental sciences, ecosystem research, and we have a lot more in this plan as well. I do not call that mush.

* * *

SEARCH AND RESCUE

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Associate Minister of National Defence.

It is evident now that the stationing of search and rescue equipment in the Arctic is inadequate. Major Don Blair has said that having a helicopter at Alert would have meant that medical personnel would have been at the recent Hercules crash site sooner and possibly could have saved lives.

Will the minister give an undertaking that adequate search and rescue equipment, including helicopters and all-weather, all-terrain vehicles, will be stationed in the Arctic at strategic points so that the lives of those who fly in the area are as safe as possible.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, first of all, I think the hon. member would agree with me that we have some of the most outstanding search and rescue technicians and personnel in the world, and the role they played last week was outstanding.

Some hon. members: Hear, hear.

Mrs. Collins: The question that the hon. member raises about location of search and rescue facilities is one which really requires a thorough understanding and discussion. It is not as simple as one might expect.

Stationing equipment in the Arctic would not necessarily be more effective, as we never know when or where an accident might occur, and we know the tremendous expanse of the Arctic. We have at the moment five search and rescue locations throughout Canada on 24-hour alert to service all of our needs.

However I would say to the hon. member that in discussions with the chief of defence staff I have asked him to review all of these matters, including some of the suggestions which have been made over the past week since the crash. I am sure these matters will be thoroughly investigated.

Hon. William Rompkey (Labrador): Mr. Speaker, I agree with the minister. First of all, my question was about equipment and not the personnel for whom all of us have the highest regard in terms of competence and commitment. I am glad she agrees with me that investigation is needed.

In light of that and in light of the questions that have been raised, will the minister immediately launch a full inquiry into the whole issue of search and rescue in the Canadian Arctic, or would she make a formal request to the Standing Committee on National Defence and Veterans Affairs to conduct such an inquiry?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I know that the hon. member is a member of that committee and of course the committee is master of its own destiny. If my committee colleagues decide to undertake such discussions, I can assure them of the ministers', mine and the senior officials' support of any of their activities.

I would just want to caution my colleagues because I think there has been in the newspapers over the past few days some allegations or some speculation which is not accurate and is outdated. In fact the government in the recent defence policy has announced proposals for upgrading of equipment for search and rescue, some of which is already entrain.

I want to make sure that my hon. colleagues understand that we have not only the best people, but I think we have an excellent system and we have excellent equipment that those people use in search and rescue in Canada.

CANADA LABOUR RELATIONS BOARD

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I have a question for the Minister of Labour concerning a matter before the Canada Labour Relations Board hearings in Montreal between CN and CP and the seven locals that are part of their bargaining unit.

Was the chair of that panel accurately quoting from the transcript of the radio program where the Minister of Labour directed the board to find for one bargaining unit?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, as the hon. member knows, my remarks are on the record and were in no way intended to show an interest of the government in this matter.

The matter is before the CLRB. I am convinced that the CLRB will make a proper decision.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, the chairman of the board, J. F. W. Weatherill, was quoting from a transcript of a radio program.

In his statement before the board he said that the minister's comments were profoundly disrespectful of the board, ignorant of its role, and deeply embarrassing to the board particularly since it has had this matter before it for 17 months and the federal government is the sole shareholder in CN Rail.

Was he correct in that assessment of it? If he was, will the minister resign?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, the hon. member will know that it would not be appropriate for me to comment in any way whatsoever on remarks allegedly made by the chairman of the CLRB.

* * *

SOFTWOOD LUMBER INDUSTRY

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is for the Deputy Prime Minister.

As he may know his government has filed a complaint at GATT against the U.S. duty on softwood lumber. In 1986, over five years ago, we strongly urged this government to take the softwood lumber issue to GATT. It refused and, as a result, we have had over five years of crippling job losses in that industry.

Why is the government five years late in taking the softwood lumber duty to the GATT? Why has it let Canadian forestry workers suffer under this crippling burden for over half a decade?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member knows full well the answer to his own question, and it is that we have made sure that we could keep the revenues here within Canada with the agreement. The MOU which we brought forward has been supported by the IWA. It has been supported by the NDP in British Columbia. It has been supported by most thoughtful Canadians. Plus we are confident of winning any dispute with the Americans. Thank heavens we have a dispute settlement mechanism we can take it before.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, it is a clear case: the government kept the revenue and the workers lost their jobs.

If this is a minister who is answering for this egregious insult against Canadians, I want to ask him the following question. For two years this government has been required to negotiate the subsidy arrangements with the United States under the FTA. The government has been totally negligent. It has not negotiated a word.

• (1450)

How can Canadians trust this government to negotiate a new agreement for North America when it has been so negligent and irresponsible in its responsibilities under the FTA?

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, I am glad the hon. member now supports the FTA and the subsection that calls for a discussion on subsidies. As a matter of fact, that discussion on subsidies is supposed to be concluded four years from the beginning of the agreement. I think it is proceeding apace.

The hon. member made a further charge. He said that governments had been taking this money on the levy for softwood lumber. I will tell him the government that took most of it and never spent one cent in the forest products industry. It was the Liberal Government of Ontario.

[*Translation*]

MANPOWER TRAINING AND ADJUSTMENT

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of Employment and Immigration. In March 1991 the Quebec government refused to negotiate with the federal government an agreement on manpower training and adjustment programs. In the meantime, the federal government has put transitional provisions in place in Quebec in agreement with the Quebec minister André Bourbeau.

My question is this: is the minister prepared to sign an agreement tomorrow in Montreal with the Quebec minister of labour and manpower in order to fully meet the province's goals as regards the training policy, so that Quebec labour force would not be a hostage in the constitutional process?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, depending on how quickly Mr. Bourbeau and myself could come to an agreement, I guess it could be possible to sign something tomorrow but it is unlikely. On the other hand, we will pursue our discussions to ensure that federal initiatives support provincial goals and that the Quebec labour force benefits from these funds, that is for sure.

* * *

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Secretary of State. Every single education initiative of this government is in disarray—perhaps I should say that too is in disarray—whether it deals with funding, training, retraining, research and development or student assistance. What positive and specific measures does the government intend to take to overcome this failure and regain the confidence of Canadian students and other Canadians?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): I am not quite sure I heard the question well. However, I am pleased to see that the hon. member is aware that something needs to be done. We in government have done a lot in that area. And now we have an opportunity to look together into what could be done and to do even more.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have a supplementary question.

During the last 10 days or so I have spoken to many single parents who are within a few weeks or a few months of completing their post-secondary diplomas or degrees. Because of the change of rule in terms of length of support for student aid these particular students, very often women, single parents, are without financial assistance as I speak.

I know of a situation where a woman has almost completed her master's degree. She has no food for herself or her children.

When is the government going to come up with a concrete proposal to make sure that these people can in fact complete their studies, get good jobs and feed themselves and their families?

Hon. Gerry Weiner (Minister of Multiculturalism and Citizenship): Mr. Speaker, the Secretary of State is away on government business today, but he has made the House aware that he has been examining very carefully the student loan program, a very vital program for our students. We all know the number of students in the program on an annual basis.

The government, through the Secretary of State, has concluded a very in-depth examination of the whole program across the country. I am sure in very short order, in the coming months, that the minister responsible will be bringing forward some important initiative in this area.

* * *

VIA RAIL

Mr. Bill Vankoughnet (Hastings—Frontenac—Lennox and Addington): Mr. Speaker, my question is for the President of the Treasury Board.

I understand that VIA Rail would like to increase the number of passenger trains it operates in the Toronto-Ottawa-Montreal corridor including an express service.

My question to the minister is: Will VIA Rail's proposal which could be implemented at no extra cost to the government receive approval as soon as possible and hopefully before the busy Christmas travel season?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, as the hon. member knows, VIA Rail has been given a mandate by the government to operate within its reference level.

That being said, the VIA proposal concerning the corridor routes is indeed being reviewed. I will certainly undertake to get in touch with my hon. friend once a decision has been made.

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RADIO CANADA INTERNATIONAL

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question is for whoever is answering for the Secretary of State for External Affairs.

At the communications and culture committee just the other day the chairman of the CRTC proclaimed that Radio Canada International is an excellent tool for marketing Canada abroad.

While other countries around the world have increased their budgets for international radio broadcasting, Canada's voice to the world has been silenced.

I would like to ask the minister whether he will recognize that without full funding RCI does not have the ability to effectively promote Canada to the rest of the world. Will he acknowledge that without a global Canadian presence through RCI our ability to compete in the international marketplace will in fact be severely hampered?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, I am not the Acting Secretary of State for External Affairs but I am pleased to respond to that question.

The government found money to give to Radio Canada International to allow it to conduct its important work. We believe the work that it is doing in terms of taking the message around the world is something that is very useful indeed.

However, the constraints that exist on the government in other areas of government spending exist here as well. We believe the contribution that has been made by the government is an important one. We believe it is responsible at this time.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my supplementary question is for the same minister.

The minister knows that essentially three-quarters of our international programming has been cut. It is ironic that in Japan this is the celebrated year of Canada and at the same time RCI has cut the services to that country.

Instead of talking about international competitiveness as a country, will the minister and the government show to the rest of the world that Canada in fact wants to become a globally recognized force, reinstate RCI funding and give back Canada's voice to the world?

Hon. Perrin Beatty (Minister of Communications): Mr. Speaker, the fact that the federal government has found this money to give to Radio Canada International and to allow it to provide its service in seven languages including Chinese, Arabic, Spanish, Russian, Ukrainian, English and French, indicates a commitment to taking our message to the world.

However, the government also has another responsibility, and that is to the taxpayers of Canada, to ensure that we show respect for the bottom line here in government.

Hon. members opposite can very easily each day get up in the House and demand that the government spend more money, but it is unfair to the taxpayers of Canada for them to demand that day after day without suggesting where it come from.

* * *

[*Translation*]

THE CONSTITUTION

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is for the Minister Responsible for Constitutional Affairs. Yesterday the minister told us that the government would not be able to meet the March deadline for tabling its offers to the provinces. Yet yesterday as well, an organization of federalist business people in Quebec expressed concern about the slowness of the Castonguay-Dobbie Committee. That organization even suggested throwing away the proposals that were blocking the process. Will the government subscribe to this request of its federalist allies in Quebec?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): No, Mr. Speaker.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, this eloquent and lyrical answer will certainly disappoint the federalist business people in Quebec since they are really becoming impatient. Yesterday their organization even asked the government to demand a preliminary report from the joint committee. Will the minister also say no to this request from his federalist allies in Quebec?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): No, Mr. Speaker.

[*English*]

Mr. Speaker: The hon. member for Annapolis Valley—Hants on a single question.

* * *

NATIONAL UNITY

Mr. Pat Nowlan (Annapolis Valley—Hants): Mr. Speaker, you say "a single question". Perhaps I should say a single question in two parts, depending on the first answer.

Mr. Speaker: I must say to the hon. member that ingenuity will not get him past my ruling. A single question.

• (1500)

Mr. Nowlan: Thank you very much for recognizing me, Mr. Speaker. Frankly it does fit in almost with some of the earlier questions from the deputy leader of the opposition. My question is very serious and it is for the Deputy Prime Minister and/or for the Minister of National Health and Welfare.

After the two good speeches of the Prime Minister in Toronto and Montreal talking about whether one could be a part-time Canadian or a full-time Canadian, could the Deputy Prime Minister or the Minister of National Health and Welfare please explain to this simple Canadian how the federal spokesperson in Quebec, the hon. Minister of National Health and Welfare, could say as he said in an interview, which frankly I thought the opposition was going to ask about days ago, to Denise Bombardier on her Radio-Canada program the following in terms of his commitment to Canada. She said:

> But, Mr. Bouchard, you will finally have to make a choice.

He said:

> Absolutely, just so long as I am not forced to make a choice before other Quebecers. Why should I absolutely have to make a choice today when it is said that Quebec will maybe make a choice in the fall of 1992? Then, when the time has come for me as a Quebecer to make a choice, without hesitation, Madam, I will make it.

My question is a serious one. We are lobbing grenades at the constitutional committee because of its fooling around. How can we have federal leadership on this fundamental issue when the federal spokesperson in Quebec is so lukewarm on federalism?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I think that the hon. member concerned has had occasion in his political life to make some choices, one of which was to go where he wants to be today. I think I said what I am repeating: for all Canadians and for Quebecers in particular, a constitutional review process is under way and, like all Quebecers and Canadians, I am part of that process. I am one of those who developed the constitutional proposals, which I fully support in the offer we are making to Canadians and Quebecers. In this process, these offers will be considered and Canadians and Quebecers will have to make a choice. I do not ask the hon. member exactly what choice he will make. I just tell him this: As a Canadian and as a Quebecer, I will make the choice that I have to make when I decide to make it!

[*English*]

Mr. Nowlan: Mr. Speaker, I have a supplementary question on this very important subject. Does the minister understand the difference between being a federal minister—

Mr. Speaker: I would ask the hon. member to take his seat.

It is my obligation now to give a ruling on a matter that was raised several days ago.

[*Translation*]

PRIVILEGE

THE SPECIAL JOINT COMMITTEE ON THE GOVERNMENT OF CANADA'S PROPOSALS FOR A RENEWED CANADA—EXPENSES OF MEMBERS OF HOUSE NOT SITTING ON COMMITTEE—SPEAKER'S RULING

Mr. Speaker: I am now ready to rule on the question of privilege raised on Wednesday, October 30, 1991, by the hon. member for Mégantic-Compton-Stanstead. This matter relates to the expenses incurred by members of the House who were not members of that committee accompanying the Special Joint Committee on the Government of Canada's Proposals for a Renewed Canada to Prince Edward Island and Toronto. In this particular instance, the committee decided to pay the expenses of these members.

I would like to thank the hon. member for raising this matter and I would also like to express my appreciation to those members who intervened, namely the hon. government House leader and the hon. members for Winnipeg Transcona, Shefford, and Ottawa-Vanier. Their comments have been very helpful to the Chair in reviewing this incident.

[*English*]

In his intervention the hon. member for Mégantic—Compton—Stanstead argued that his role as a member in the House and in committee should not be dictated or appear to be dictated or influenced by the arbitrary rulings of the steering committee. In his opinion the action of the special joint committee in effect set up two classes of members in the House: on the one hand, the committee members and those members who were not members of the committee but who could follow the proceedings of the committee outside Ottawa and have their expenses paid for by the committee and, on the other hand, members who were not members of the committee and would have to seek the approval of its steering committee to have their expenses reimbursed if they wish to travel with the committee.

[*Translation*]

The hon. member questioned the legitimacy of the expenses incurred by the special joint committee in paying the expenses of members of the House accompanying the committee but who were not members of the committee. These points were supported most ably by the hon. member for Shefford.

[*English*]

In his comments the hon. member for Winnipeg Transcona quite rightly pointed out that in ruling after ruling I and other Speakers have determined that these kinds of interventions are matters which are properly dealt with by the committee itself. He also stated that the committee had made arrangements in order to do its job properly and in the context of its own authority and that the matter should not properly be before the House since the committee is its own master in this respect.

[*Translation*]

As noted at the time, I listened with some concern to the statement made by the hon. Member for Mégantic-Compton-Stanstead and agreed to take the matter under advisement.

Particularly troubling to the Chair was the suggestion that all members of this House were not being afforded equal treatment in this affair. This situation arose out of a problem with the membership of the committee which was first drawn to my attention by the hon. member for Mégantic-Compton-Stanstead on September 25, 1991. In its ruling of September 27, 1991, the Chair found merit in the case made by the hon. member and directed that steps be taken to correct the situation.

On October 30, 1991, the 14th report of the Standing Committee on House Management was concurred in by the House and the full membership of the committee was established.

[*English*]

In the meantime however the special joint committee pursuant to its order of reference of June 19, 1991, proceeded with its work and in so doing made the administrative arrangements it deemed appropriate to carry out its mandate.

Having reviewed the matter, I must now reaffirm my initial view that this is a complaint over an administrative matter recommended by the steering committee and approved by the committee and should not have been submitted to the Chair.

[*Translation*]

As I noted in rulings on June 16, 1988, and December 18, 1989, we have a longstanding tradition in the House and there are many judgments to this effect, that unless something truly extraordinary should occur in committee, the committee is master of its own destiny. According to our traditions and practices, the Chair does not intervene with the proceedings of a committee unless a problem has been reported by the committee to the House or in extremely unusual circumstances.

The special joint committee has acted within the boundaries granted to it by its order of reference and hon. members can raise with the committee complaints they may have about the soundness of its administrative arrangements.

Finally, while reiterating our practice that committees are masters of their own procedure, I would remind all members that committees have the responsibility to conduct their affairs to ensure that complaints such as this do not arise, and that such matters, unless they relate to extreme situations where a Speaker would be required to intervene, should not take up the time of the House.

* * *

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I have a number of questions for the government House leader and my colleague from Winnipeg South Centre has a few as well concerning government business.

• (1510)

My first question is can the minister indicate the business for the remainder of today and Friday, as well as Monday, November 18, and Tuesday, November 19.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I hope to be able to complete second reading of Bill C-31 on extradition this afternoon and by tomorrow afternoon to have completed third reading of Bill C-12, the Young Offenders Act.

In terms of coming back on the 18th it would be my intention to call for second reading of Bill C-39, the amendments to the Canada Pension Plan, followed by second reading of Bill C-38, the bill to privatize Telesat Canada. After that we will begin and complete report stage and third reading of the financial institution reform package which is four bills, C-4, trust and loans companies, C-19 the Bank Act, C-28 the insurance act, and C-34 dealing with co-operatives and caisses populaires.

Mr. Dingwall: Mr. Speaker, on my second question I will have my colleague from Winnipeg South Centre put some details to the government House leader. As he is aware we forwarded him a letter on November 6 concerning the situation in Yugoslavia with regard to having a parliamentary debate and the hon. member opposite has been very co-operative in terms of trying to establish a time in which to have this particular debate.

I am wondering if he would entertain a brief question on this subject matter from my colleague the member for Winnipeg—South Centre.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I thank my colleague for allowing me to tag along on his point of order to the government House leader.

The House leader is aware of the circumstances. We have attempted to find an appropriate date with the minister of external affairs when we could bring a general resolution and I think that all parties would like to join in.

Unfortunately the minister has had to go overseas for a very extended period. I am wondering if the House leader would entertain working in conjunction with the office and be in contact with the Secretary of State for External Affairs to arrange a debate on Yugoslavia immediately upon our return.

The House leader knows of the circumstances and the concern of Canadians. There has been very limited opportunity. I have tried a couple of times to get an emergency debate but have not been successful. I wonder if the House leader could entertain this seriously and perhaps get back to us on Monday or Tuesday when we return. He might alter his line-up and give us a chance for a major debate.

Mr. Andre: Mr. Speaker, I am certainly pleased to respond positively to that request. As the House leader of the Liberal Party has indicated we have been having

discussions at the House leader's level on this. I am not at all adverse to it and indeed I think it would be a good thing for this House. Let me say that I have taken the view of the House leaders and want to repeat here on the floor of the House of Commons that sometimes we have debates on bills which are unnecessarily protracted. I am quite willing to use that regular House time for subject matters of our choosing which are perhaps more appropriate if in fact we were able to deal with the legislation another way.

Specifically to the member's request, I will ask the Secretary of State for External Affairs to see if we can schedule a special debate on the situation in Yugoslavia immediately upon our return.

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I will not be long. It is just by way of supplementary to the House leader. First I appreciate his willingness to undertake to organize that on our return.

There is another matter that is related. There was an effort made again on behalf of the three parties to bring forward a joint resolution dealing with the question of childrens' rights. In fact it was to be presented today.

It is my understanding from the letter I received from the member for Rosedale that two ministers of the cabinet want that resolution to be deferred for over a month. That would prevent an expression of view from this Parliament. I would ask the House leader if he would look into it again to see if there could be an opportunity, not for a major debate, but just for presentation of that resolution when we come back.

Mr. Andre: I am not up to speed on that but I will look into the matter and my general disposition is not to resist it.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have a question for the government House leader in terms of negotiating and arranging further business. We all appreciate that the Standing Orders from time to time refer to a minister of the Crown or a parliamentary secretary acting on behalf of the minister. We know that the parliamentary secretary to the government House leader normally assists us in our negotiations. I assume that the parliamentary secretary always reflects the government's intention on legislation. Yet early today I noticed that the parliamentary secretary actually voted against the government House leader. Is this indicative of what is to come, or will we continue with our negotiations with the parliamentary secretary?

Mr. Andre: It is regrettable that at a time when there appeared to be a little more willingness to deal here on a non-partisan basis and look for a co-operative House, the House leader for the New Democratic Party could not miss this chance for a cheap shot.

He knows, having dealt with my parliamentary secretary, that he is absolutely honourable, absolutely truthful. What he says to him personally he will repeat outside and nothing different. He knows he can trust him. I have complete confidence in him and I also know the rules. The rules are that you cannot reflect on a vote of a member of Parliament and I hope the hon. member will read that rule. Perhaps he would like to stand up and apologize to my parliamentary secretary for reflecting on his vote.

Mr. Riis: Mr. Speaker, what concerned me was the following. We negotiate presumably—

The Acting Speaker (Mr. Paproski): The hon. member is apologizing? I will recognize the hon. leader of Her Majesty's Loyal Opposition.

Is the hon. member for Kamloops rising to apologize?

Mr. Riis: Mr. Speaker, first of all I would like to get it clear from my hon. friend what it is he is seeking an apology for. I am prepared to do that if I have broken some tradition but I am suggesting—

The Acting Speaker (Mr. Paproski): Well yes, you should not reflect on how a member voted. That is a rule in the House and that is something I think the hon. member should withdraw.

Mr. Riis: I am prepared to withdraw that I referred to the fact that the parliamentary secretary to the government House leader voted against the government. If that is an offence of the House I am prepared to withdraw that, Mr. Speaker.

The Acting Speaker (Mr. Paproski): The hon. the government House leader.

Mr. Andre: You know, that is not the point. The rules of our House state explicitly that it is out of order to reflect on how a member voted. That is precisely what the House leader of the New Democratic Party has done on two occasions. He has been asked by the Chair to

withdraw and he has not shown the decency and respect for our traditions to withdraw. The chance for a cheap shot seems to be irresistible and it is regrettable, I repeat, regrettable for the House leader of the New Democratic Party to continue to act in this way. We are all here being asked by the people of Canada to work together and not let our partisan instincts get ahead of our responsibility to the people of this country.

The Acting Speaker (Mr. Paproski): The hon. member for Kamloops.

Mr. Riis: Mr. Speaker, all of us in this House are aware of the traditions of the House of Commons. The traditions of the House of Commons would indicate that those who represent ministers support government legislation. That was the only point I was trying to make that if you look through the precedents, if you look back in history—

The Acting Speaker (Mr. Paproski): The hon. the leader of Her Majesty's Loyal Opposition.

Mr. Dingwall: Mr. Speaker, I also had some admirable characteristics that I wanted to share with members of the House with regard to the parliamentary secretary in terms of his integrity and his honour and of course his height and other things as well.

I do want to pose a question to the Minister Responsible for Constitutional Affairs through the government House leader.

In view of the undertakings which have been given by the hon. minister to the House in terms of the regrouping of the committee, has the minister entertained the prospect of coming back to the House or having the respective chairs of that committee come back to the House to make statements?

Will he clarify some of the actions that may have gone on, or try to renew the mandate of that particular committee so that all members would then be able to have a better appreciation as to where the committee on constitutional renewal will be going in the weeks and months ahead? I am not asking for specifics of the committee itself but for any clarification coming from the minister responsible.

• (1520)

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I am prepared to consider that. However, the substance of any report I might make might more properly belong to the special joint committee. What I am hoping to do is meet with the co-chairs of that committee tomorrow as well as other members of the steering committee.

If there are questions to be put to me in Question Period, I will be here but I do not think it is appropriate for me to assume that as minister I can speak on behalf of a special joint committee.

Mr. Dingwall: I do not want to get mixed up in words, but I am not asking the minister to speak on behalf of the committee.

It is very clear that the minister is responsible for the appointment of the two chairs. Since he has undertaken to meet with the respective chairs of that joint committee, which is very important to the unity of the country, I thought he might want to avail himself of the opportunity of sharing instructions he may give to those two chairs.

I know it is at arm's length, but he might avail himself of that opportunity to share with members of Parliament the instruction he has given his two appointees for the purposes of embellishing and improving upon the actions and behaviour of that committee in the weeks and months ahead.

Mr. Clark (Yellowhead): Without getting into the authorities of appointment of members of the committee, certainly I am prepared to report to the House, more likely by way of response to questions or in some other way the House may decide would be preferable, once there have been some conclusions reached.

What I can report now is that I have had some quite constructive conversations with representatives of the three parties whose members serve on the special joint committee. We have not reached a conclusion yet, but I would hope that there will be a determination on the part of members from the three parties in this House to find a way in which Canadians can be guaranteed an opportunity to participate in the improvement of the constitutional proposals we have put forward and be able

to do that in the context of the special joint committee this House of Commons and the other place established.

Mr. Riis: Mr. Speaker, I refer to the exchange I had previously with the government House leader who suggested that I had somehow followed the wrong procedure.

I want to draw his attention to *Beauchesne's Parliamentary Rules and Forms*, sixth edition, citation 479:

> A member may not speak against or reflect upon any determination of the House,

I was not doing that. I was referring to the vote of a particular member. If he knows the rule book so well, perhaps he could identify the source in terms of either the tradition or the Standing Order I had contravened.

Mr. Andre: Mr. Speaker, I repeat again that it is regrettable that the hon. House leader of the New Democratic Party, during the period when we generally try and exchange information for the benefit of informing each other as to the plans of the government so people can plan their schedules and so on, stands up and takes a cheap shot at my parliamentary secretary.

I stand by my accusation of that being a cheap shot and wish the hon. member had the decency to cease that kind of behaviour.

Mr. Riis: Mr. Speaker, the member should have the courtesy to withdraw that accusation. He is suggesting a cheap shot. I am suggesting that I followed the rules of the House. I followed the traditions of the House as presented in citation 479.

An hon. member: You had ulterior motives.

Mr. Riis: I have no ulterior motives.

An hon. member: Now you are pushing it and that is what is out of order.

Mr. Riis: That is out of order. I am asking the government House leader to explain what Standing Order he suggests I have contravened. I know the Standing Orders. I am not aware that I have contravened a Standing Order. I have suggested that he does not understand because Beauchesne itself makes it very clear that one cannot reflect against the determination of the House.

We all know that. I was referring to the voting pattern of the parliamentary secretary to the government House leader as going against the government, which I think is inappropriate.

GOVERNMENT ORDERS

[*English*]

EXTRADITION ACT

MEASURE TO AMEND

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada) moved that Bill C-31, an act to amend the Extradition Act, be now read the second time and referred to Legislative Committee H.

The Acting Speaker (Mr. Paproski): The hon. member for Calgary North.

Mr. Kindy: Mr. Speaker, we have presentation of petitions after motions. You did not quote that.

The Acting Speaker (Mr. Paproski): I am afraid that the Standing Order said three o'clock, and so we cannot go back to petitions. I regret it.

Ms. Campbell (Vancouver Centre): Mr. Speaker, it is my pleasure to submit to the House for second reading Bill C-31, an act to amend the Extradition Act respecting appeals.

As members will know, Canadians are very concerned about our extradition laws. Several recent high profile cases have raised a concern in their minds that Canada, a country with an international reputation for safety and absence of crime, may be becoming a haven for criminals fleeing charges or punishment in other countries.

The source of much of this concern lies in the procedures currently available for appealing the decision of a judge in an extradition hearing and for reviewing the decision of the minister whether to surrender the fugitive to the foreign state.

The existing procedures, which I will outline in a moment, allow numerous appeals from both of these decisions, all of which can reach the Supreme Court of Canada on more than one occasion.

In addition, our international reputation has suffered among states with which we have agreed, through extradition treaties, to return wanted persons. The theories that those fleeing from justice in other countries

will attempt to enter Canada chiefly because our extradition laws are so complex that they can expect years of safe haven for the proceedings of their removal unfold.

Canadians will not permit their country to become a haven for fugitives. It is equally important however that our extradition laws be fair. Those charged with offences elsewhere should have an adequate opportunity to challenge the evidence brought forward by the requesting state.

It must not be forgotten that extradition applies not only to the return of foreigners, but also Canadian citizens to foreign lands where legal systems, language and culture may differ.

Further, we must ensure that Canada does not involve itself in the surrender of those who have fled other countries because of persecution on the grounds of race, religion or political belief or who, for whatever reason, will not be treated fairly on return.

We must also be confident that the person will be treated fairly and humanely upon his or her return. The judiciary ensures that there is solid foundation for the charges, and the minister ensures that the person surrendered will be treated fairly in the foreign state.

This bill strikes the proper balance between prompt return of wanted persons and protection for the person sought.

[*Translation*]

Under the present law, a state with which we have concluded an extradition treaty can ask Canada to turn over to it an accused person or offender of that state who is in Canada.

That person is then arrested and a legal investigation is conducted on the basis of the charge or on the reasons to believe that the person fled after being sentenced for an infraction committed on the territory of the requesting state.

During that investigation, a judge of a superior court or a provincial or territorial county court examines the evidence put forward and decides whether or not to detain the person sought until he or she is sent back to the requesting state.

If the accused person or offender is ordered to await extradition, he can request a writ of habeas corpus challenging the decision of the extradition judge. At this stage, he can exercise all the rights and freedoms guaranteed by the charter and bring the matter to court. The decision of the judge who ruled on the habeas corpus can be appealed to the provincial or territorial court of appeal and this court's decision can be appealed to the Supreme Court of Canada with the latter's permission.

• (1530)

If the extradition judge does not order the person to be turned over to requesting state, it can appeal directly to the Supreme Court of Canada with the latter's permission.

[*English*]

Once this part of the procedure is completed, the minister considers any submissions made by the person sought with respect to humanitarian grounds, questions of fairness and such issues as whether the person would be facing the death penalty in the foreign state.

When the minister considers that the person should be extradited, a surrender warrant will be issued by the minister. The minister's decision with respect to surrender can also be judicially reviewed. That decision can in turn be appealed to the Federal Court of Appeal and with leave of the court to the Supreme Court of Canada.

This system is obviously enormously complex, results in long delays and requires a great deal of costly court time. The person's remedies far exceed those available to a person charged with a criminal offence under Canadian law.

In developing a more streamlined appeal and review system I have been guided by the following principles. First, the appeal and review process of extradition matters should resemble as nearly as possible the remedies available to those charged with criminal offences in Canada. Second, the person whose extradition is sought should enjoy the protections of the Canadian Charter of Rights and Freedoms. Third, to the extent possible, duplication of proceedings should be avoided.

The appeal and review process should be expedient but permit a fair hearing. The division of functions between the judiciary and the minister must be clearly respected. Our international obligations to our extradition treaty partners to return offenders must also be respected.

Taking these principles into account, Bill C–31 adopts the following approach.

[*Translation*]

Applications for extradition will always be brought to superior courts or provincial or territorial county courts.

Nevertheless, the extradition judge can now know the recourse under the Canadian Charter of Rights and Freedoms that may apply to the duties he is required to perform in applying this law.

Under the present law, charter issues may only be raised before the judge, usually on the same court as the extradition judge who received the writ of habeas corpus pursuant to the extradition request.

This results in needless duplication of administering evidence and wastes the courts' time. This change would allow charter–based arguments concerning applications to be considered at a later stage of the proceedings, without having to go before a different judge.

Charter–based arguments relating to the minister's extradition decision can be considered when the minister's decision is reviewed.

[*English*]

The bill allows the fugitive or the requesting state to appeal the decision of the extradition judge directly to the provincial or territorial court of appeal on grounds similar to those available to parties to criminal proceedings under the Criminal Code of Canada. The court of appeal is obliged under the bill to schedule the appeal hearing at an early date. In most cases, the minister will be obliged to make a decision whether to surrender the fugitive within 90 days of the committal of the fugitive at the extradition hearing.

Where there is an appeal by the fugitive from the committal the court of appeal can defer the appeal proceedings until the minister has made a decision on surrender. In cases where the legal issues are particularly complex, the minister can postpone the decision on surrender until the court of appeal has made its decision. However, in most cases the minister will make the decision on surrender before any appeal concerning the extradition judge's committal order is heard by the court of appeal.

Since the bill provides that judicial reviews from the minister are to go to the provincial and territorial courts of appeal, appeals from the extradition judge and judicial reviews from the minister's decision will usually be heard together. This will ensure that appeals and reviews will be conducted as expeditiously as possible since all issues will be dealt with together before a single court. Further, it will ensure that in extradition matters there will usually be only one subsequent avenue of recourse, the Supreme Court of Canada.

[*Translation*]

Mr. Speaker, in order to speed up the process, the bill provides time limits.

The person sought can apply to the minister as soon as the extradition process begins and has up to 30 days following the detention order to do so; the minister can always consider these applications outside the time limit, if necessary.

The person sought or the requesting state must file a notice of appeal within 30 days of the decision.

The minister too must act within certain time limits.

As was said, normally the minister will decide whether to turn the person over within 90 days of the detention order.

There is an exception to the 90–day deadline in cases where the person sought has appealed the detention order and the minister wishes to wait for the appeal court's decision before ruling on the matter, given the complexity of the points of law that it raises.

In such cases, the minister can make his or her decision within 45 days of the appeal court's ruling.

[*English*]

The other exception is where the minister has received submissions from the fugitive with respect to surrender. As has been seen in some recent cases, these submissions can be lengthy and detailed. They may require the minister to conduct inquiries into the legal system or political climate in the requesting state or seek assurances from the requesting state with respect to the treatment of the fugitive upon return.

As such, the bill allows the minister to extend the 90–day period for one additional period of 60 days where necessary to act on the fugitive's submissions.

The bill contains a time limit within which a fugitive must be surrendered and a means of enforcing the time limit by which the minister is bound. Where the minister has not made a decision within the applicable time period the fugitive may apply for a writ of habeas corpus and is entitled to be released if the minister cannot show sufficient cause for the delay.

The same is true if the fugitive has not been removed from the country within the period of 45 days after the minister has made a surrender order, or after the completion of appeals from such an order.

In total the bill will remove the necessity for three steps: habeas corpus review, review by the Federal Court trial division, and Federal Court of Appeal.

Appeals from the extradition hearing and review of the minister's decision will be combined before the provincial court of appeal. Canada will be able to deal with extradition requests more promptly while at the same time offering protection to those sought by foreign countries. Our commitments to our extradition treaty partners can be honoured better. Most important, the signal will be sent to offenders abroad that they can no longer shield themselves from answering charges or serving a sentence by taking advantage of outdated Canadian extradition laws.

We have all seen the concern of Canadians over the past few years about the process of extradition as it related to the cases of Joseph Kindler and Charles Ng. There is absolute incomprehension on the part of many Canadians about why it would take so long, more than six years of due process, for the legal system of Canada to make a decision, yes or no, as to whether it was fair to extradite these individuals.

The complex appeal process meant that the first court to hear the question could not deal with the charter issues. Therefore charter issues had to be raised in the second court, and a full range of appeals made to the Supreme Court of Canada. Then the minister makes a decision, then the minister's decision is open to appeal to the Federal Court trial division, the Federal Court of Appeal and the Supreme Court of Canada. This is an enormously complex set of due process.

In the case of Charles Ng, when the second round of appeals started, the appeal of my predecessor's decision to the Federal Court, I immediately referred the decision to the Supreme Court of Canada where the Kindler case was being examined in order to expedite the consideration of those cases. However clearly that recourse is not available to ministers in all cases. What we need is substantive structural change in our law.

I am putting before the House in Bill C-31 a simplification which does not remove any of the rights of the fugitive. It is up-to-date, modern legislation taking into account the need to hear charter arguments in the court of first instance, taking into account the need of ministers to respond quickly and to make decisions by imposing time limits on them, taking into account the efficiency of hearing appeals from a minister's decision and from an extradition judge in the same process in the court of appeal where appropriate.

• (1540)

All of these will help to reassure Canadians that this country will not become a haven for fugitives from foreign countries because of the laxity or inefficiency of our law. It will also ensure that people will not be able to evade justice in other countries because of long, extended delays of due process here which make it almost impossible to pursue prosecutions in the requesting country because of the aging of evidence, the death of witnesses and the inability of prosecutors to keep a case alive.

This is very important legislation that all Canadians will be able to relate to directly. Therefore I move:

That Bill C-31, an act to amend the Extradition Act be referred to the Standing Committee on Justice and the Solicitor General.

The Acting Speaker (Mr. Paproski): Fewer than five members having risen the motion is deemed adopted pursuant to Standing Order 73(3)(b).

Mr. Waddell: Mr. Speaker, I have a a point of order on two matters.

I gather the procedure now is that we debate it like a second reading debate.

Second, I wonder if the minister would give me consent to put a short question to her just to clarify something.

The Acting Speaker (Mr. Paproski): I need the unanimous consent of the House.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): It is no. I am sorry.

Mr. George S. Rideout (Moncton): Mr. Speaker, it is a pleasure to speak about the extradition law. I am sure that people are glued to their TV sets to hear all of the exciting discussion about extradition. It is kind of a dry subject but it does have very serious ramifications for our communities and the safety of Canadians in general. For that reason alone it is a pleasure to speak.

This has been a week of justice and law and order issues. The tragedy about what is taking place with all of this legislation, including extradition but also corrections reform, the mental disorder legislation, young offenders and gun control is that we have a situation where the government is reacting rather than providing leadership. It is reacting to things that have occurred outside when it should have already anticipated them and done something.

The mental disorder legislation is a clear example of one law which the government knew for three or four years was deficient and had to be corrected. It knew that it had problems with the young offenders legislation but that has been slow in coming forward. Again it knew there were problems with this legislation, it knew what it was dealing with in the recent decisions of the Supreme Court of Canada. We are seeing a reactive government rather than a government providing leadership.

Everything is done in phases. We do not take a holistic point of view with regard to crime prevention or even a holistic view as far as specific pieces of legislation are concerned. In this particular bill we are dealing with a phase. We are also dealing with phases in parole reform because we are looking at sentencing. We still have to look at the detention provisions for young offenders. The mental disorder legislation requires that we wait for three years until hospital orders are dealt with and we see how those are going to work.

It occurs over and over. All we are doing is phasing things rather than dealing with the whole bill or with the whole issue. I am afraid that most Canadians would really like to see us phase out this government and get on with some leadership.

An hon. member: Right on. Get rid of them.

Mr. Rideout: My colleague confirms that insightful comment of mine.

As I said before, extradition is a dry topic. The old law has been in existence since 1877. In most cases, extradition is a treaty between nations. The intent of extradition is to secure the return of Canadian fugitives and rid the country of its foreign criminals. Gerard La Forest, before he was on the Supreme Court of Canada, made that comment in one of his treatises on extradition.

Our law is outmoded. It is old legislation. The treaties in a lot of cases are old. It is a very complicated procedure. The minister already outlined the back and forth movements through the different appeal procedures which have to occur. We know that it does not work. We have seen that this type of appeal approach plays into the hands of the fugitive who is in our country and at the same time provides no benefit to our citizens.

In fact it creates a very heavy cost. If you accept that it costs about $70,000 a year to keep somebody incarcerated, in the Ng case we have had this fugitive from the United States in our country for six years. It probably cost us upwards of $500,000 for that one person, and that does not even include the costs for lawyers, appeals and judges.

In the maritimes lawyers are very inexpensive but Ontario solicitors are very expensive. That adds even further cost to an already expensive procedure.

Mr. Horner: You get what you pay for.

Mr. Rideout: There is no question you get what you pay for. That is why it takes six years to get rid of somebody like Ng with Ontario solicitors.

The Ng case and the Kindler case are two cases which we really should take a look at because they were abuses of the system.

Charles Ng was wanted in California on 12 counts of murder and he also faced sexual assault and torture charges. He fled to Calgary in 1985 and was convicted for an armed robbery. It has taken us from 1985 until now to see him returned to California. Some will say that he should not even have been sent back because of the death penalty and the issues associated with that.

In my view, and I think the view of most Canadians, he was a fugitive in our country who should have been returned to his country to face the judicial system there.

We must have some concerns with countries where penalties associated with the crimes are so serious that we wonder whether there is in fact justice in those countries. That is the type of situation where we may want to consider not sending back fugitives who are in our country. Obviously the United States has a justice system which pursues justice. In the United States there is fairness and equality as best it can be delivered by any justice system.

In that case and the Kindler case with the number of appeals to courts and appeals to provinces and then to the Supreme Court of Canada, I do not believe their rights have been violated. That is exactly what the United States said.

Again I quote Mr. Justice La Forest when he wrote for the majority: "This court has held that extradition must be refused if surrender would place the fugitive in a position that is so unacceptable as to shock the conscience of Canadians. But I do not think that the surrender of fugitives who may ultimately face the death penalty abroad would, in all cases, shock the conscience of Canadians". I would certainly agree with that position. It was a wise decision on the part of the Supreme Court of Canada.

We are maybe going to see the process speeded up when this legislation is done. We are going to see this again in the Bembenek case, back and forth, appeals and more appeals.

We agree with the government's approach that we must streamline the system. We must make it more efficient.

• (1550)

We are going to support this bill going to committee. We are going to seek the advice of counsels who deal with this particular law and seek the counsel of all who have come in contact with it so that they can advise us as to whether there are more efficient ways to streamline this particular legislation. It still is a situation where you have in effect two lines that ultimately end up at the Supreme Court of Canada. In our view there may be methods arrived at by the justice committee under the able leadership of the hon. member for Mississauga West. He has provided a lot of recommendations to the minister on extradition but has had no success in convincing the minister of the wisdom that came from that committee.

This particular legislation does not fully deal with all of the recommendations that came out of the justice committee report. There is still the two-track judicial executive process. There are still ongoing negotiations between Canada and the United States. We are still going to have to proceed with more negotiations, more treaties. The minister in earlier comments has indicated that there are still 30 other areas within this whole ambit of extradition that have to be dealt with and that this bill only deals with one aspect. These areas include evidentiary provisions, the minister's discretion and non-treaty extradition and judicial authority, to name just a few.

There is a lot of work to be done. This government is only dealing with one aspect of it and not really proceeding in a holistic manner. This is a situation where we can provide security and safety for our residents, and also not put this country through the very extensive costs associated with keeping fugitives in our system and running up and down through our court system for six years.

The abuses of our system cannot be allowed to continue. I know that you are concerned about that, Mr. Speaker. Canadians are concerned about it. For that reason we are supportive of the legislation going forward.

We are also concerned that Canada could become a safe haven for criminals fleeing any other jurisdiction and particularly the United States, because that is where a lot of cases have emanated from.

There is no question that we here on this side of the House do not want to see Canada become a safe haven for criminals fleeing any jurisdiction. That is exactly what Ng did. He knew or felt that he could safely come to Canada and because of our existing system it would be a safe place to hide, but also if he was caught it would be a good system to abuse so that he would not have to go back to California and face the music he would have to face. As a result, he had a free lunch in our country for six years. That is what we are opposed to.

Let us proceed with this legislation, let us get the advice and we will deal with it. We recognize it is a

piecemeal legislation only dealing with certain aspects. We are urging the government to examine crime prevention, safety in our communities, and that whole issue, and to deal with it all as one major issue. Instead we are forced because the government sets the agenda to look at band-aid solutions and half hearted legislation. It is all over the waterfront as far as what is needed in our communities.

We must deal with the basic issue of safety and protection in our communities. This legislation really will not do that much to help because there is so much more that needs to be done. In any event it is legislation which we will support as far as going to committee. I am pleased that it is going to the Standing Committee on Justice and the Solicitor General where there is a degree of expertise.

We have already made recommendations in the area of extradition and so the expertise that is available will be brought to bear on this particular legislation. I am sure that we will see it improved before it comes back to the House.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise as justice critic for the New Democratic Party to speak on this legislation. We have called for this for a long time.

We support the bill in principle but we are concerned that it is somewhat of a knee jerk reaction. Let me explain why. We have to find a balance in terms of extradition.

If you look at the Charles Ng case, which my friend who last spoke just mentioned, the accused mass murderer from California was in jail in Canada and exhausted the appeals procedure in Canada.

Without understanding all the intricacies of the law on extradition, people understood that was too long. Charles Ng was in the province of Alberta in jail. That seemed too long for a decision as to whether or not he should be extradited. There was a special reason why it was wrong. They were testing the case in the Supreme Court of Canada and the principle of whether you could extradite someone back to another country that had the death penalty when we do not have the death penalty in Canada.

The Supreme Court ruled 4 to 3 that you could. There is the Ng case and the Leonard Peltier case—remember that case, Mr. Speaker—which was about a decade ago now. Mr. Peltier is still in jail in the United States. He is a native leader of the American Indian movement from the United States who was extradited.

The member for Notre-Dame-de-Grace, Mr. Allmand, who is the former Solicitor General said that Mr. Peltier was extradited on false evidence. He was extradited on fabricated affidavits that were thrown out quickly by Canadian authorities. I think we extradited Mr. Peltier wrongly from Canada. That is believed now.

We have the Ng case on the one hand and the Peltier case on the other hand. One is too slow and the other is too quick, where we made a mistake. I think we have to have a fair procedure so we do not make any mistakes.

The other thing we have to do is be less hypocritical, if I may say so, and more honest in these particular cases. We have to have a single standard and not a double standard. Let me give you this example.

Peter Worthington, the noted journalist and the fellow who ran for this Parliament unsuccessfully, is now taking up the case of Lawrencia Bembenek, Bambi. You have Charles Ng on the one hand who is an accused mass murderer and let me put it this way, he is not in any sense of the word an attractive personality.

You have Ng on the one hand who people like Mr. Worthington and backbenchers in the Conservative Party over there would just deal with in a minute. On the other hand, you have Bambi. Bambi happens to be in certain ways of describing it, an attractive individual although—

An hon. member: What has that got to do with it?

Mr. Waddell: You wonder what it has to do with it. There seems to be a double standard about it.

Suddenly, the Bambi case has a lot to know, so maybe we are moving too fast in that sort of case. That is a case in which a woman was convicted in the United States of a murder. She came to Canada and is fighting extradition in Canada.

I have no comment on the case at all except to say there is a bit of a double standard here between the way people were writing about Ng and the way they are writing about Bambi.

What we have to do as MPs is write laws that work for everyone on extradition. That is why it is a very difficult subject.

I want to say first of all that one of the problems is the tone that the government has used on extradition, the tone that some of the backbenchers and the government party have used. I believe they are using the fallacy that Canada is about to become a haven for criminals from other countries because of our allegedly lax extradition laws.

This is simply not true. Also as was pointed out by some of the judges in the Kindler and Ng cases in the Supreme Court of Canada, there is no evidence of the existence or the threat of a flood of criminal fugitives pouring over our borders. Where is the evidence? In fact the number of requests received by Canada has remained consistently below 100 in the past five years. We got a breakdown from the Department of Justice from their annual report of the cases. I think the House would be interested in this.

• (1600)

In the period 1985 to 1986 the requests received from the United States for extradition were 69, from other countries, 14. You add them up, 69 and 14. We surrendered 23 people.

In 1986 to 1987 requests received from the United States were 47 and from other countries, 16. We surrendered 21.

In 1987 to 1988 there were 71 requests from the United States and 14 from other countries.

In 1988 to 1989 there were 64 requests from the United States and 12 from other countries. We surrendered 45.

In 1989 to 1990 there were 55 requests from the U.S. and 7 from other countries and we surrendered 39.

I managed to get the statistics for this year up to date, 1990–1991. We received 55 requests from the United States and 11 from other countries. We surrendered 55 people.

We are talking about 66 people to date.

This hardly makes Canada a haven for fugitives that are in our jails that are just there waiting to be extradited. I did add them up. This is not a big number. The member says add them up.

What is important is that the present time-consuming procedures be streamlined. That is why we agree with the bill. They should be streamlined. But we have to maintain at the same time procedural and substantive fairness and justice for the fugitive. I draw again the reference to the Peltier case where we extradited the fellow too quickly and wrongly.

The second problem we have here, and the previous speaker pointed this out although I do not think the minister pointed it out, is that the extradition treaties that we have with many countries are out of date. They date from the colonial period and contain archaic language.

Did you know that computer crime is not in most of the extradition treaties because they come from the 19th century when there were no computers. That is a big area. You can get into computer viruses and some of the thefts that occur as a result of computer crime. Consider that. It is not in the treaty and most of our treaties are old. There are a couple of modern treaties that have been affected. Let me just explain this for the members. In the old treaties they listed the crime, procuring an abortion for example. There were some wild old crimes that are no longer crimes in Canada. The new modern treaties just say a crime with over one year, for example, imprisonment. It is a very flexible list of crimes then.

We do not have modern treaties with very many countries and that definitely is a problem.

There is also a case now before the Supreme Court of Canada where the court will have to deal with the question of whether it is necessary that a defence be named in both treaties before it becomes extraditable.

Another possible amendment that the Minister of Justice could look at in dealing with this whole matter of extradition would be to undertake that the death penalty would not be carried out if the fugitive were extradited. We do not apply the death penalty in Canada and we may want to talk about that with other countries.

I am afraid we are going to have cases not like Charles Ng which was such an obvious case but we will have other cases where we pass a quick law with quick extradition where we could have real injustice. Good law is not made by one case. You need a number of cases and you need to see the balance that is there.

Another question is the proposal that the fugitive only have 30 days to make submissions to the Minister of Justice after the decision is made that they are in fact extraditable and we may want to extend that.

One of the problems noted by Mr. Bob Anderson, who is appearing for the Canadian Bar Association, is that the Court of Appeal normally does not hear direct evidence. This would limit the ability of the fugitive to present a full defence as can be done at present.

In an interview in the French press, Mr. Anderson said:

[*Translation*]

> The new procedure will be shorter, but lawyer Robert Anderson was nevertheless afraid it might cause a number of complications, because the Court of Appeal will in some respects have to take the place of the Federal Court and the Superior Court. He is particularly concerned that one could appeal directly to the provincial Court of Appeal on all matters—extradition, incarceration and the ministers' decision—without first going through another court.

[*English*]

So Mr. Anderson is drawing attention to a problem with the present government proposals and perhaps we could hear the Canadian Bar Association in the committee.

I want to say just a little bit more about the notion that computer crime is not an extradictable offence between Canada and most of the countries with which we have extradition treaties.

I mentioned that there is some old law in there where you could extradite someone who was charged with procuring a miscarriage and so on and there are a lot of old parts of law.

In the limited time I have left let me just deal with some of the new treaties and explain them Mr. Speaker. Recently, Canada has begun signing treaties with such countries as India and the Netherlands, which get around the problem of not having named the crime on a list. They do this by making extradictable any crime which is punishable by more than one year in prison. This covers both computer crime sections but there are dozens of other treaties which will have to be replaced before the question is comprehensively covered.

The extradition treaty with the United States is a special case. The existing treaty was ratified in 1976 but there is an updated version that has been ratified in Canada. This is the question I was going to put to the minister, before the government rather rudely nixed that question. I was not trying to exploit a minister of the House, I was going to ask a legitimate question. The question was: What is the state of the new extradition treaty with the United States? It is absolutely fundamental to this debate.

I believe that the American Senate is apparently holding up approval at their end and I stand to be corrected by any government member who will deal with this. This has caused a problem in the case of a Quebec truck driver, Richard Bilodeau. He was charged with manslaughter in the highway deaths of two New Hampshire state troopers and their prisoner. He was in jail in New Hampshire on a $500,000 bail and there was some controversy over whether the existing extradition treaty would enable the Americans to get Bilodeau back if he was allowed to return to Canada. So the judge did not want to give him bail, and poor Mr. Bilodeau had to sit in jail for a long time. Finally he did get released.

Initially the judge held that the Extradition Act and treaty would enable Bilodeau to avoid returning to the United States. Finally bail was set for this man. This is an unacceptable situation. You cannot put Canadians in this position. We have to clear up these treaties with the United States.

Although these new treaties will eliminate the anomaly of computer crimes not being extradictable offences, there does not seem to be any rush by the government to replace the ancient treaties now in place with most industrial countries. This leaves great scope for mischief, especially given the amount of damage which can be done to data banks using either the virus which affects computer systems through software or by direct tampering through illegal entry.

Anyway I do not have to run through these cases of computer hackers doing damage. All I want to do is point out that there is a real danger that valuable Canadian data could be tampered with or stolen or destroyed by some other country and under the state of our law and our treaties, we could do nothing about it. We could not extradite the person from there and they could not extradite the person from Canada.

• (1610)

I think this is a serious matter and needs to be looked at. Piracy on the Great Lakes is an extraditable offence, computer crime is not. I find that incredible. This bill is doing nothing to deal with that.

Let me just sum up our position on the bill again. Before I end my speech I want to set out for the government, if I might, some possible witnesses for the committee. I mentioned Mr. Anderson from the Canadian Bar Association. I would also suggest that we want to speak to Amnesty International which was involved in the events surrounding the Charles Ng extradition.

There are some allegations that we may have broken international law by the very quick reaction after the Supreme Court of Canada ruling. Mr. Ng was out of there in about two seconds flat. We want to hear some of that evidence. We might attempt to bring in groups like Victims of Violence, and also groups like Amnesty International.

The lawyer for Bambi Bembenek, Frank Morocco, whom I went to high school with in Toronto, could also be brought in to talk about the dangers of having a procedure which would whisk fugitives out of the country before the full facts of the case can be brought forward.

Another potential witness could be the lawyer for Mr. McVey and the case that I mentioned in the Supreme Court of Canada. We might also want to hear from Mr. Jardine, the crown counsel from Vancouver and perhaps Mr. David Gibbons, defence counsel, in the Inderjit Singh Reyat case. That was the man convicted of I believe it was manslaughter in the Air India matter, the bombing at Narita airport in Japan. There was a long fight on extradition on that case. I would like to hear some of the experience there.

This is not an open and shut matter. It is an area of many sides and many issues. Finally, I would like to hear Mr. Donald McLeod, the counsel for Charles Ng, who fought the extradition procedure I guess to the end.

The minister has summarized what the bill does. It does cut the number of steps. It used to go from an extradition hearing to a writ of habeas corpus, to an appeal to the relevant provincial court of appeal, appeal to the Supreme Court of Canada and then back to appeal the minister's decision to the Federal Court and then to appeal the Federal Court's decision to the Federal Court of Appeal and then to appeal it to the Supreme Court of Canada.

That was clearly too long. My friend from Peterborough whom I see over there brought in a private member's bill that was the opposite. It was too short and probably violated the Charter of Rights and Freedoms.

Has the government found the right balance? I hope so. The new legislation will have an extradition hearing. You will have an appeal to the relevant provincial court of appeal and then an appeal to the Supreme Court. The fourth and fifth steps are an appeal of the minister's decision to the provincial court of appeal and appeal that to the Supreme Court of Canada. That can be done concurrently.

We have a procedure that has very much speeded up the process. I hope it strikes the right balance. We will see that in committee. We have got to find somewhere between Ng on the one hand and Peltier on the other, between the way we approach Ng and other cases as we approach the Bambi case. We have got to try to deal with it rationally and we have to get a system that is fair.

We have to keep in mind that we still are talking about a relatively small amount of cases. People are not flooding into Canada to take advantage of weak extradition laws.

The Acting Speaker (Mr. Paproski): A point of order, the hon. member for Don Valley East.

ROUTINE PROCEEDINGS

[*Translation*]

ABORIGINAL AFFAIRS

TABLING OF FIRST REPORT OF STANDING COMMITTEE

Hon. Allan Redway (Don Valley East): Very briefly, with the unanimous consent of the House, I have the honour to present, in both official languages, the first report of the committee on aboriginal affairs. Pursuant to Standing Order 109, the committee requests that the government table a comprehensive reply within 150 days.

The Acting Speaker (Mr. Paproski): Does the hon. member have the unanimous consent of the House to table his report?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): Agreed.

GOVERNMENT ORDERS

[*English*]

EXTRADITION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-31, an act to amend the Extradition Act, be read the second time and referred to the Standing Committee on Justice and the Solicitor General.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Mr. Speaker, I heard the speakers who have entered this debate thus far and I would like to address a few questions to my colleague from Port Moody—Coquitlam. He seems to be quite taken with this computer crime and I am sure that we can put our minds together so that we get after these computer criminals. I would hope that would be addressed in the other sections they are going to be dealing with in their committee.

I came across a quote that I would like the hon. member to comment on, if he would. It is a quote from Mr. Justice Gerard La Forest. He says:

> There can be no doubt that the appellant's right to liberty and security of the person is very seriously affected because he may face the death penalty following his return to the country he is going back to. The real question is whether surrender under these conditions violates the principles of fundamental justice.

I would like him to address himself to that part, and also:

> The Supreme Court has held that extradition must be refused if surrender would place the fugitive in a position that is so unacceptable as to shock the conscience. But I do not think the surrender of fugitives who may ultimately face the death penalty abroad would in all cases shock the conscience of Canadians.

I would like him to give us his thoughts, if he would because I, for one, respect his thoughts very much in this House and I would like him to comment on what Mr. Justice La Forest has to say about the "conscience of Canadians". Are we a nation such that it takes more than normal circumstances to shock us? Should we be returning these people at the earliest possible moment, especially in cases like the Ng case?

Mr. Waddell: Thank you, it is a good question. What I was trying to do in my speech was to say we must be careful how we react. Sometimes one case can make bad law when we have got to look at it. I gave the example of the Ng case, in which it seemed obvious to the common sense of Canadians that this thing took too long. I think that is pretty obvious.

One of the reasons it took too long, I can say to the hon. member, is because the court was sorting out the very important legal issue of whether it should extradite someone back to a state that has the death penalty. That is one of the reasons it took too long. I will not comment on the court, it made its decision. It is the Supreme Court of Canada, and we live by that decision. The court ruled that you could send someone back to a state that has the death penalty. That is the law of Canada. I accept that.

What I was saying was we have to be careful. You look at the Ng case and you think we have got to get them out of here quickly, it is too long, and so on. It looks so obvious, but then you look back on our history and you look at the Peltier case and now as we get farther away from it, we look back and say that maybe we made a mistake there. We were so fast and we accepted affidavits that were not right. Now maybe we had better just be careful. If you just did it with the Peltier case you may have a whole different view of extradition.

I said also to look at the same commentators who at one moment, and I mentioned one journalist, want to get this Ng out of here fast and then suddenly Bambi comes along who is kind of a different figure and they say "wait a minute now we had better take our time and we had better look at this and we had better have lots of appeals, and why do we not let her out on bail, and why do we not do this?" I would not want to prejudice the case but I hope it works out justly, if I could put it that way.

That is what I am saying. I am saying just be careful which way you move. I cannot comment on what the judge said.

• (1620)

I respect the judge, and I agree with the ruling of the Supreme Court. It was a 4 to 3 ruling. Some judges differ.

The reason I mention computer crime was that I was trying to illustrate that there are two problems, not only the law but the issue of extradition treaties. We have some pretty old treaties through which you could get extradited for piracy on the Great Lakes, but you do not get extradited for computer crimes.

I think that is a bit strange and that is why I was mentioning it.

The Acting Speaker (Mr. Paproski): 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 Mount Royal, The Economy; the hon. member for Saint—Henri—Westmount, Food Banks; the hon. member for Halifax, Women's Programs; the hon. member for Chambly, Canadian Security Intelligence Service.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Mr. Speaker, two American fugitives were quietly whisked away to the United States on Thursday, September 27, 1991 within hours of the Supreme Court ruling that said they could be extradited even though they may face the death penalty. In a sharply divided 4–3 decision, the highest court in the land cleared the way to send Charles Ng to California where prosecutors want to charge him in at least a dozen sex/torture killings.

The Supreme Court also ruled that Joseph Kindler could be extradited to Pennsylvania where he has already been convicted of murdering a fellow criminal with a baseball bat. Last minute talk of appeals to the United Nations human rights committee that might have delayed extradition were rendered moot by the swift action of not only the justice minister for Canada, but of the federal justice authorities.

Within 30 minutes of the mid–morning release of the decision, a shackled and handcuffed Ng was handed over to a U.S. sheriff and flown from Prince Albert, Saskatchewan to Sacramento, California on an RCMP jet. Kindler left the country at 3 p.m. the day of the decision.

Ng later arrived at McLellan Air Force Base near Sacramento amid tight security. He was taken by a state corrections department car to nearby Fulsom prison. Ng was to be kept separated from other inmates, a prison spokesman said. Ng was arraigned on September 27 in San Andreas, a small town in the Sierra Nevada about 240 kilometres east of San Francisco and 40 kilometres from the hideaway that he allegedly used to kill and torture his victims.

Ng's lawyer was outraged when he learned his client had been hustled on to a plane without being given an opportunity to contact him. Don MacLeod, Ng's lawyer, said at a news conference in Calgary: "To be perfectly honest with you, I am absolutely ashamed of my government and outraged at its conduct".

In interviews with the justice minister, she made no apologies for the speedy action. She went on to say: "There is a very strong sense of urgency to allow justice to take its course in the United States. Both men have been fighting extradition since 1985".

In the case of Mr. Ng, the case has not gone to trial. Witnesses are getting older, and witnesses are dying. I believe it was essential to act as quickly as possible after a careful review of the Supreme Court decision.

I compliment the minister on her quick decision to hand Ng over to U.S. authorities. I would also like to express my appreciation to the 185,000 people from across Canada who wrote in urging for speedy extradition of both of these people, Ng and Kindler.

I might also say that when it went through the justice committee, of which I am proud to say I was a member at that time, it gave a majority report. It was not only a majority report, it was a unanimous report from the justice committee that we proceed with extradition legislation. They presented the report to the minister at the time, who is the present Minister of Justice.

An investigation was launched by the former justice minister and he announced that to the United States when he attended a conference of legal persons in Washington. That body reported to the minister and I am pleased to say we had quick action.

As for the former speaker's statement that this bill before the House is all right and includes things that he would like to see, but it is not quite as fast a process as I was looking for, I suggest that he check my bill against the bill that is before the House. The reality of the situation is that the bill before the House today by the

justice minister and the Government of Canada is a speedier process than even my bill was.

To make this as easily understood as possible we have taken the legislation that we would like to enact and completely eliminated the two track system. Rather than going through a provincial court and then a Federal Court with all of the appeals following, we only go through the provincial court. We have taken the habeas corpus and put it into the hearing simultaneously with the provincial hearings. Also any conflicts the bill might have with the Charter of Rights and Freedoms, for example, are dealt with now in that one track system through the provincial courts rather than Federal Court. There is no opportunity for anyone being extradited to move from the minister's signature for extradition to the Federal Court.

If this bill passes it will happen with one extradition hearing, one Superior Court appeal in the provincial courts and then possibly, if the Supreme Court deems it necessary on request, a third hearing before the Supreme Court. That is a guaranteed two hearings and a possible Supreme Court of Canada hearing. That speeds it up considerably compared to the former process where there were seven guaranteed hearings in the cases of Ng and Kindler. Those two cases followed the two track system.

I was pleased to see that the member of the NDP, who presented his view, is leaning toward passing this as quickly as we can because he feels that there need to be changes made. However I disagree with his logic that my bill would have given the fugitive fewer chances or more chances or whatever he intended to mean. That was not the fact because what he said is clearly contradicted by the facts.

The lawyer for Ng said he had filed a complaint with the UN human rights committee which had agreed to investigate Ng's case. He was told the committee asked Canadian authorities to hold off extradition until the investigation was complete. Our minister said she welcomed the views of the UN committee but felt extraditing the two was the proper course. Justice department officials do not believe the government would be legally bound by any UN ruling.

Officials at Amnesty International were holding a news conference appealing to the government to take time to consider the ruling when they learned that Ng was already gone. Roger Clark, secretary general of the Canadian chapter of Amnesty International, said: "It seems to me that shows inappropriate and unseemly haste. I regret that the Canadian government has moved with such speed to support the possible execution of an individual".

Gary Rosenfeldt, founder of the lobby group Victims of Violence, headquartered in Ottawa welcomed the decision to send Ng and Kindler back to the United States. He said: "I really think that for the last number of years Canada has become a real haven for criminals". I would take his judgment of the haven that we have become ahead of the judgment, with respect, of my hon. friend from the New Democratic Party.

I would also like to point out with regard to Canada being a safe haven for criminals from the United States, the RCMP have information to indicate that when Ng was in prison in the United States he researched what was the best country in the world to escape to to avoid the death penalty. That would indicate to me that he chose Canada because it was the best. It probably means that we are the most lenient.

• (1630)

The same process occurred with Joseph Kindler. He escaped from the American prison where he was on death row using a set of bed sheets. I cannot quite figure out how he got out a window on death row, but that is the story that appeared in the media. He certainly got out of the prison. He escaped as quickly as he could to Canada, to safe haven, because his research showed that we have the most liberal laws in the world.

If that is not enough evidence I have letters from both the governor of the state and the Attorney General of the United States saying that we will turn Canada into a haven. Why would anyone not want to come to Canada under the best of circumstances and under the worst of circumstances?

If you were sentenced to be executed the best thing you could do would be to come to Canada and spend the rest of your days locked up in a prison cell rather than be executed. There is all kinds of documentation. Whether it is 2, 4 or 16 people who want to come to Canada does not make any difference to me. If one wants to come to Canada because our laws are the most liberal laws in the

world then we have to take a look at our laws to see if they really are the most liberal.

An hon. member: Oh, oh.

Mr. Domm: You will have an opportunity to ask questions in just a few minutes.

Lawyers for both men had argued that the death penalty violates fundamental justice and amounts to cruel and unusual punishment, contrary to the Canadian Charter of Rights and Freedoms. They wanted to force the justice minister to seek guarantees from California and Pennsylvania that they would not impose capital punishment if the two were returned.

Under the Canada–U.S. extradition treaty the federal justice minister can ask American authorities for such a guarantee. However none of the ministers who have held the justice portfolio over the last six years has made that request.

The court ruled it is not unconstitutional to return Ng and Kindler to a country that has a justice system similar to Canada's, with legal safeguards for the rights of the accused. However in a strongly worded dissent Justice Peter Cory called capital punishment: "The ultimate desecration of human dignity".

Ng, a Hong Kong native and one time U.S. marine, is wanted to face 18 charges, including 12 of murder, in connection with a series of kidnappings, torture and murders in northern California.

He avoided trial by fleeing to Calgary where he was arrested and convicted for shooting a store security guard in the hand during a bungled shoplifting attempt.

Kindler was convicted of beating an acquaintance to death with a baseball bat to keep the man from testifying against him in a burglary case in Philadelphia. The jury recommended the death penalty but Kindler escaped from jail before the sentence could be imposed and fled to Montreal where he was later arrested.

There have been no executions in Canada since 1962. Parliament formally abolished the death penalty in Canada in 1976 and rejected a move to restore it in 1987. Canada still has capital punishment for acts of treason. No death sentences have been carried out in Pennsylvania or California for acts of treason in more than two decades. I do not know how long it has been since we executed anyone for acts of treason in Canada. I tried to research that but I could not find any.

If it resumed executing prisoners, Pennsylvania would do it by lethal injection. California formerly executed prisoners by gas.

When all was said and done the issue before the Supreme Court of Canada was: "Must Canada insist that a different free and democratic society, whose judicial system we otherwise accord equal status and trust as our own, fundamentally alter its view of what a fit sentence is for a certain crime?"

The root of the disagreement was the death penalty. In Canada the democratically elected representatives of the people decided not to allow capital punishment, while in California the democratically elected representatives of their people have decided to allow it. The lawyers arguing on behalf of Ng suggested that Canada should have imposed its will on California and that failure to do so constituted cruel and unusual punishment for Ng.

Canada's Minister of Justice refused to go along with this idea, citing six different basic premises for that decision in October 1989. The first was that constitutional safeguards within the United States' criminal and justice system to ensure standards of fairness are at least equal to our own. The second was a recognition that the request for no death penalty assurances are not sought routinely and the facts of the Ng case did not so require it.

The third was a rejection of the time on death row, if convicted, as being cruel and unusual punishment.

The fourth was a rejection of the method of execution in California as being cruel and unusual punishment.

The fifth was a rejection of the fact that Canada does not have the death penalty as dictating that we cannot extradite a fugitive to a country that does.

The sixth was if it was generally anticipated that by fleeing to Canada a person accused of capital murder could escape exposure to the death penalty it is foreseeable that Canada would become a safe haven for such criminals. In my view such a prospect is simply unacceptable.

Here are the two opinions. Opinion A on this issue is uphold the minister's decision and return Ng with no, assurances of no death penalty sought. The message from this decision is straightforward. If a person commits capital murder in the United States and then comes to

Canada and is caught and ordered extradited they will be sent back to face justice in their own jurisdiction. Canada will not be a safe haven for U.S. killers.

Opinion B on this issue is refuse to extradite unless California agrees to waive the death penalty.

Both district attorneys involved in the Ng case and the Joseph Kindler case, both heard by the Supreme Court at the same time, on February 21, 1991, stated in different ways but equally unequivocally, as Paul Cummings, the assistant district attorney for San Francisco said: "Canada is becoming a safe haven for killers from the United States".

Similarly assistant district attorney Richard DeBenedetto remarked in relation to the Kindler case that: "If they know they can go somewhere and possibly avoid the death penalty they are not going to hesitate". The decision of the Supreme Court of Canada on the Ng case will have profound effects on the domestic security of this country for years to come.

If the latter choice had been taken we automatically and realistically would have become a haven for fugitive killers seeking to avoid justice in the United States of America. To make it worse, if the United States had then refused to comply with our conditions not only would we be such a haven but we would already have our first beneficiaries of this policy in our midst, Charles Ng and Joseph Kindler.

I took a little time—am I already at 20 minutes? It must have been the interventions. One more minute, then.

Mr. Waddell: Point of order.

The Acting Speaker (Mr. Paproski): The hon. member for Port Moody—Coquitlam.

Mr. Waddell: I would have no objections if the hon. member wishes to continue, provided he does not abuse it. I would like to hear him out. He has presented bills on this case.

Mr. Domm: I really appreciate the help from the opposition in finishing my case.

I took some time and I sent this around to all colleagues in the House of Commons. It is my centrefold. It deals with the 4 to 3 vote when the Supreme Court of Canada decided that the two American fugitives could be extradited to face possible death sentences. I went to the core of the 100 or 200 pages that we received from the Supreme Court—if we paid $5 per package—on the decisions and the lead-up to the decisions that they made in the Ng and Kindler cases. I want members to listen to this because this might motivate me to do something about capital punishment. In section 12 of the charter it says that:

> Everyone has the right not to be subjected to any cruel and unusual treatment or punishment. The death penalty deprives the prisoners of all vestiges of human dignity. If Kindler or Ng committed murder in Canada the provision of section 12 in the charter would prevent capital punishment.

• (1640)

I did not write that. It came from the Supreme Court of Canada, section 12. How did the Supreme Court rule on section 12? I will read that into the record. This is the majority view of the Supreme Court:

> Much has been said and written in this country on the death penalty and there is no clear consensus in this country that capital punishment is morally abhorrent and absolutely unacceptable. To this day capital punishment continues to apply to certain military offences. Polls continue to show a considerable support among Canadians for the return of the death penalty for certain offences. Returning the fugitive to face capital punishment would not shock the Canadian consciences.

We are talking about a majority position of Canadians and I am talking about what could very well be a majority consensus in this House of Commons. I think there is room to consider as a private member's initiative, a bill for capital punishment for acts of terrorism causing loss of innocent life, whether it is the Air India accident or some other such accident. I think that kind of homicide offence is repugnant to the Canadian people and I would strongly urge members to give serious consideration to that.

My final point is that I want to make abundantly clear what the minister is asking this House to approve and I have reason to believe that this House is going to approve it. It is a long way from being perfect. There are some amendments that are going to be considered. I have some amendments myself that I would like considered but here is what the bill does.

We have one extradition hearing. Charter issues will be dealt with in that Superior Court appeal. That means that the minister has a deadline to submit her signature

intent to extradition which would be reviewed at that one appeal. That is it.

This House of Commons, we as members of Parliament, has taken the seven-year option away and have put in a six-month option on the extradition. It could be three months. So you have an extradition hearing including charter issues. You have an appeal of committal of extradition, judicial review and surrender order of the Minister of Justice heard at the same time. That is it.

If the person being extradited after that short period of time wishes an appeal, he can have leave to appeal to the Supreme Court of Canada; not guaranteed but leave to appeal. That ends it.

It would be a great accomplishment for the justice committee, for members of this House, if we could move with all haste to get it into committee. Let us look at the amendments that the NDP, the Liberals or the Official Opposition and the government would like to consider. I hope we can get it out of the House today. I hope it will move on to committee and be back here for third reading when we come back from our holiday.

Mr. Ian Waddell (Port Moody—Coquitlam): I have a comment and a question, Mr. Speaker.

I was very interested to hear the hon. member sort of pulling himself up by his bootstraps. He takes some comments from the Supreme Court of Canada and suddenly we are into a new law on capital punishment. The hon. member must do yoga. He must be very good at yoga, doing these sort of back bends, not to mention the centre fold. I think it is a long way from the decision of the Supreme Court to a new law on capital punishment.

I gather the member is supporting the government bill. Correct me if I am wrong but his private member's bill I believe had a shorter procedure than the government bill. Perhaps he can comment.

Second, he seemed to me to be talking in the past. We have had the Ng decision. The court said that it is not a defence for escaped murderers who are picked up in Canada to say: Don't extradite us because there is capital punishment back where we came from, namely certain states in the United States. That has been settled, has it not?

I wonder what the member was really getting at. Finally my last question as I have pointed out is: What about these facts? He is talking about the existence or threat of a flood of criminal fugitives pouring over the border. I pointed out that the number of requests received by Canada has remained consistently below 100 in the past five years.

That seems to me hardly a flow of people. These are all extradition cases, not just murder cases. The evidence is overwhelming. There ain't any flow.

What is the member talking about, especially after the Ng case? If we are talking about murders, there is no capital punishment in just about every European nation and in most nations of the world now. Where is the big danger?

Mr. Domm: Starting with his last question first, I have not quite sorted out his second question in my mind as to exactly what it was.

His last question dealt with the flood of criminals from the United States into Canada to avoid justice in the United States. No one refutes that except the NDP. One hundred people come to Canada and the normal percentage of those offences are violent crimes. We are dealing with two at the same time that have been in our courts for five to seven years. Those I would consider violent crimes. They are from the United States and we have been talking about them for six years.

There have been other cases. There have been some that could have stayed here but were out before it came to their attention that they had the possibility of multiple appeals.

If the Attorney General of the United States or the governor of all the states that have capital punishment feel that we would create a flood here and the Supreme Court ruled we had to keep them, it would create a flood. If that is not exactly flood proportions in the minds of the NDP now, I am saying: think what it would be like after if the Supreme Court ruled that anyone committing a violent crime of homicide in the United States who got across the border to Canada was able to ask for political asylum. I think it would create a flood and so does everyone else I talk to.

Mr. Fretz: Mr. Speaker, I rise on a point of order. I just want to say quickly that I appreciate the comments brought forward by the hon. member for Peterborough. I

wonder if he would be willing to withdraw his remarks about next week being a holiday.

Mr. Domm: Mr. Speaker, to go back to the riding to work with my constituents is a holiday compared to working in this House with the opposition.

Mr. David Kilgour (Edmonton Southeast): Mr. Speaker, I feel as if I should join in the general frivolity of the discussion but it is a serious matter.

Bill C-31 is designed to bring changes as has been pointed out in our Extradition Act. Many of us on both sides of the House must reflect on our own effort or lack of effort on this issue over the years to correct the flaws in the present extradition law.

It is very long overdue. As I will conclude at the end of my speech it hardly deals with the problem in all of its many aspects. The government has waited far too long to move decisively on this issue. The cost of that inaction is high first of all in material terms. Millions of dollars of taxpayers' money have been spent on unnecessary lengthy, highly publicized extradition cases instead of on research and development, education or other desirable things.

• (1650)

More important, the cost is expressed in human suffering of the victims' families in the case of Mr. Ng for example, the loss of widespread public trust in our system of justice, and the principle that a just punishment cannot be measured or recovered.

Canadian extradition law has come under a firestorm of controversy during the past several years. People are asking seriously if Canada has become a haven for dangerous criminals fleeing persecution in their own countries.

A *New York Times* article reported last year that there have been almost 260,000 murders across the U.S. since 1976. If even a tiny percentage of alleged American murderers began to flee to Canada, the cost and other consequences to Canadians would be enormous.

The lengthy appeals process in our extradition system of course was the heart of the problem because a series of orchestrated appeals both burdened our legal system and harboured foreign fugitives for years.

Nowhere has this been more evident than in the case of accused mass murderer Charles Ng, recently returned to California. Ng and an alleged accomplice, Leonard Lane, are suspected of having been involved in 25 violent criminal acts and 12 brutal homicides in northern California during 1985.

When the police in California apprehended Lane after a robbery attempt, he committed suicide. Mr. Ng however eluded capture and made his way to Calgary. He was spotted shoplifting in Calgary, shot at a security guard and served a four and a half year sentence in a Saskatchewan penitentiary. U.S. authorities soon initiated extradition proceedings.

In the judicial part of the process our Alberta Court of Queen's Bench ruled, Madam Justice Marguerite Tressler, that Ng could be found guilty on 19 of the 25 counts of violent crimes and the 12 homicides and was to be delivered to jail awaiting extradition to the U.S. authorities. His lawyer appealed to the Alberta Court of Appeal and approximately four years after Ng was arrested the three judges upheld the lower court decision. Quite recently, as members know, the Supreme Court of Canada refused to hear Ng's appeal of that appellate decision in Alberta.

All of Ng's appeals have been based on article VI of the 1976 extradition treaty between Canada and the U.S. which states: "When the offence for which extradition is requested is punishable by death under the laws of the requesting state and the laws of the requesting state do not permit such punishment for that offence, extradition may be refused unless the requesting state provides such assurances as the requesting state"—only lawyers could have drafted this—"considers sufficient that the death penalty shall not be imposed or, if imposed, shall not be executed". I am being candid.

The key is the term "may be refused" because the Minister of Justice decides which way to exercise the discretion. In 1989 Rudy Blanusa, accused of murdering two people in California, was extradited by former Justice Minister Lewis who opted not to seek the assurance that Blanusa would not face death.

By the way I might interest my friend from the New Democratic Party in the following case. In the 1970s a woman in Alberta was accused of being involved in a murder. Her co-accused was convicted. She left Alberta and went to California. She was finally picked up in Los Angeles. Do you know how long it took? As I understand it they picked up the accused, put her on the plane in Los

Angeles, flew her to Vancouver, and the RCMP picked her up when she got off the plane. I think the whole process took about three days. It has taken six years for us to uninvite Mr. Ng from our country.

There were also indications, as the member for Peterborough pointed out, that Charles Ng researched extradition laws in foreign countries including Canada. He came to Canada, specifically it would appear, because he knew the length and complexity of the Canadian extradition system and that he would face the death penalty in California.

I salute the member who just spoke for his concern about this issue and his consistent concern about this issue over the years. I will even quote him: "Fugitives such as Charles Ng or Joseph Kindler have more judicial options and opportunities available to them than does a Canadian citizen who is accused of committing a crime here in Canada".

Another glaring inconsistency in our system is an experience recounted to me of a judge who was appointed to a superior court in one of our provinces in Canada. That judge was denied a computer word processor to have in his office. Charles Ng had a computer word processor in his cell in Prince Albert paid for, one would assume, by the Canadian taxpayer. In other words, Canadian judges, at least in one province, cannot get word processor computers but people accused of 25 violent crimes in California can, at the taxpayers' expense.

In 1989, had it been the law, the proposed reform by the member for Peterborough and other MPs and I would not have prevented people accused of crimes from fleeing to Canada, but at least it would have reduced the number of manoeuvres of which they could avail themselves.

Under the proposed bill before us, the extradition hearing would still be presided over by a superior court judge or county court judge who would decide whether the fugitive should be committed to prison in view of the extradition. The next step would be the ability to appeal a decision to the appeal court of the province.

Those would be the only hearings available. It would eliminate the application for a writ of habeas corpus to the superior court and the ability to appeal the decision of the appellate division to the Supreme Court of Canada.

After two court appearances the case would go automatically to the Minister of Justice. This would cut down significantly on the time frame for extradition but still protect the rights of the accused person.

Section 24 of the Extradition Act would also be examined. It states: "A fugitive who has been accused of an offence with Canadian jurisdiction, not being the offence for which the fugitive surrendered or who undergoing sentence upon conviction in Canada, shall not be surrendered until after having been discharged either by acquittal, by expiration of sentence, or otherwise." That would mean that the Minister of Justice would have the discretion to surrender incarcerated felons or allow them to serve their time. A decision would be made on a case by case basis.

Members of the Victims of Violence Society of Edmonton, now based in Ottawa, have estimated that it cost taxpayers over $1.5 million to keep Charles Ng in comfort in Canada. It was also stated by the member for Peterborough earlier that his office had received over 70,000 letters and 100,000 signatures on petitions from Canadians asking for the speedy extradition of Mr. Ng.

My own office has received more than 6,000 petition signatures. In short, the public outcry is enormous. In conclusion, the system in place must be streamlined so that Canada does not become or remain a haven for criminals from other countries and that criminals from other countries do not continuously burden our system and drain local economies.

A more streamlined system, founded on the same basic human rights principle but appended by the ideal of swifter justice, is required. Justice delayed is justice denied in these cases as in most cases. The changes proposed in Bill C–31 will probably come too late to help at least some of the families in the cases of Charles Ng, who was until recently able to delay his inevitable fate.

The case should bolster our resolve to make sure that no other criminal victimizes our country as well.

I have a comment to make with respect to the contents of the bill. As somebody said on the other side, it is far from perfect. It does not address most of the 30 items being considered by the Department of Justice in its comprehensive review of the law and process of extradi-

tion. The bill would basically leave intact the two-track judicial executive nature of extradition in Canada—

Mr. Cooper: Mr. Speaker, I apologize to the hon. member but we are just about to enter into Private Members' Business and so I wanted to put before the House an opportunity.

I know this bill has significant support on all sides of the House and I am wondering if the House and the members would be willing to come back at six o'clock and continue debate on this issue so that we could complete second reading today.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

An hon. member: No.

The Acting Speaker (Mr. Paproski): There is not unanimous consent. The hon. member for Kingston and the Islands.

Mr. Milliken: Mr. Speaker, I think that we have made good progress today. We have had this bill introduced and I think in the nature of things it is not unusual for a bill to take more than a day in this House at second reading, especially an important one like this. We have not even been debating it all day. We only started the bill this afternoon.

I think that the request of the hon. parliamentary secretary, having agreed to sit two nights already this week, is a little much and the House need not continue to sit this evening for this purpose.

Mr. Riis: Mr. Speaker, I think this is an important piece of legislation. As far as we are concerned we are prepared to not see the clock to allow the debate to be completed tonight. If that is not going to happen, perhaps we could at least have an undertaking that when we return to business tomorrow that we could pass this expeditiously first thing in the morning.

The Acting Speaker (Mr. Paproski): The hon. member will have seven minutes left in his debate and 10 minutes questions and comments when the bill comes up again.

It being five o'clock p.m., pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

COPYRIGHT ACT

MEASURE TO AMEND

Ms. Barbara Greene (Don Valley North) moved that Bill C-269, an act to amend the Copyright Act (fair use), be read the second time and referred to Legislative Committee G.

The Acting Speaker (Mr. Paproski): On a point of order, the hon. member for Edmonton Northwest.

Mr. Dorin: Mr. Speaker, I was wondering if the House might grant me consent to table a report on Bill C-28 which I have available here at this time. I would just table it, if I could be granted that consent.

The Acting Speaker (Mr. Paproski): Is there unanimous consent?

An hon. member: No.

The Acting Speaker (Mr. Paproski): I am afraid there is not unanimous consent. The hon. member for Don Valley North.

Ms. Greene: Mr. Speaker, once again I am presenting my bill, Bill C-269, to Parliament. At this time I am aware that progress has been made on this issue. On the last occasion that this bill was considered it was referred to the standing committee on communications and was never subsequently considered by that committee which to me was a very disappointing matter on an issue which is so important to so many people across Canada.

The issue of copyright is one that has a very significant history and has been the subject of a tremendous amount of debate.

In 1985 after the consideration of phase I of the copyright legislation the minister of communications and culture, the Hon. Flora MacDonald, promised that there would be a phase II to the copyright legislation. Subsequently, we have had consultative committees that have been established with users and creators on those committees that made recommendations for certain exemptions for education, libraries and the disabled. These reports have sat on the shelf awaiting implementation by the government.

That committee report back in 1985 made those recommendations. We have had another committee report. There has been a tremendous amount of lobbying on this issue in the community. I myself have been involved in it since at least 1985 as a teacher in the city of North York and a media studies teacher and a member of the Association for Media Literacy. The copyright legislation was extremely important to us because basically being a media studies teacher is impossible with the existing legislation if one wishes to obey the law. Media studies teachers along with many other educators throughout Canada and many other users have virtually been breaking the law since this particular bill was introduced. Many of us were breaking the law before, but at least it was a little more liberal.

Phase I very clearly has given the authority over copyright to the owners of copyright exclusively.

There is no balance to the legislation. It does not recognize the legitimate rights of users. It does not reflect our society. It does not reflect the electronic age we now have and the types of communications necessary in this society. Many of us in Parliament continue to break this law. In the householders that we pass out there are often pictures and newspaper articles and we did not get the authority from the owners of these copyrights. If we did I am sure we would be spending an awful lot of time on rather useless correspondence.

Right now this particular bill has a long list of supporters. There are quite a number of individuals who support it but at present the Association of Universities and Colleges in Canada supports it as well as the Canadian Association of Research Libraries, the Canadian School Trustees Association, the Association for the Study of Canadian Radio and TV, Carleton University Instructional Media Services, Canadian Society of Copyright Consumers, the Alberta Whitecourt School District, the Protestant Regional School Board of Western Quebec, the Dundalk and Proton Community Schools in Ontario, the Canadian Centre for Studies in Publishing, the Metropolitan Toronto Separate School Board, the Eitz Chaim Schools in Toronto, the Ontario Secondary School Teacher's Federation District 13, North York, the Board of Education for the City of Etobicoke, North York Public Library Board, the Board of Jewish Education, Seemars Engineering, CCH Canadian Limited, and the list goes on and on.

Clearly there are some contentious parts to the bill and some of these people would like to see certain amendments but they would like to see the bill considered and given implementation.

The Association of Universities and Colleges and the Canadian School Trustees Association were involved in forming this bill and I would like to describe it a bit.

It excludes any work that is the repertoire of a collective. It does not apply to works which are the property of a collective and which are available for a contract. It refers to all those works that are not currently available easily for people in educational institutions. It would allow the fair use for a limited number of purposes such as teaching, review, legislative or judicial proceedings, research, criticism, comment or media summary.

These are non-profit uses that are frequent in society. If one just thinks of the courts for a moment, frequently they have to look at documents. Under the existing legislation which has no exemptions and no limitations, other than the single one of the fair dealing which allows for individual, private study, there is no legal way in which any kind of legal work can be presented.

We have seen members stand up in the House with documents. If you are publicly displaying it, it is an illegal act at present. Therefore, it is simply impossible to obey the existing legislation.

This act is modelled basically on the American system. In the American system the factors which are considered and which are in this bill as well for determining whether a copyrighted work is being fairly used include the purpose and character of the use, including whether the use is for non-profit purposes, the nature of the work, in a case in which only part of the work is reproduced, the amount and substantiality of the part used in relation to the whole work and the effect of the use upon the potential market for or value of the work.

It does allow a legal defence when you use a copyrighted work. It allows you to use it reasonably. It also allows organizations that own copyright to enter into negotiations in order to determine what is a fair use. It operates quite reasonably in the United States. Many Canadian teachers have resorted to contacting American

publishers and owners of copyright in order to access American materials, since it almost impossible to do it up here.

• (1710)

We have had a number of examples of teachers who belong to the Association of Media Literacy being able to contact magazines and television stations to get the right to use their material fairly. In Canada they cannot get that right. They might be able to get the right for a particular show, but they have to go through a long chain of people in order to get that particular right.

I tried that once and it took me eight different telephone contacts. All the way along the line people said: "Go ahead and do it. We don't care". However, because I was doing it for a particular project that was going to be circulated among teachers, I wanted to find out and I proceeded to do it. I finally got to the very end of the line and got permission. I was told how to do it and to send a letter. Unfortunately what happened was that the program I wanted to use was bumped from the television schedule and technically I could not have done it.

It is just ridiculous, the current procedure that one would have to go through in order to use material legally.

I asked some of the organizations involved with this issue what comments they would like to make on it at this point in time. The Association of Universities and Colleges says it wants phase II as soon as possible. It believes that my bill is a good interim piece of legislation while waiting for the government to introduce something, but it is concerned that even if phase II were announced there would not be enough time before an election for it to become law. I think that would be incredibly embarrassing to this government with a great number of people, given the commitments that have been made by the government in the past. Basically the association says that it thinks this bill would ensure at least a defence for people and fair access.

The director of Instructional Media Studies at Carleton University says: "It is important for Canadians to be able to study and to evaluate the media. There is a need to research the media and to display the findings. A department such as Mass Communications in Women's Studies needs to study specifics such as the portrayal of women in the media. Current copyright law restricts media study, making it difficult to teach the dissemination of it". Things such as taking a slide of a magazine article and putting it up on an overhead are illegal. It makes it very difficult to be referring to little pictures in a classroom.

The Canadian Association of Research Libraries says that it needs further amendments to the Copyright Act to ensure that Canadian students, researchers and scholars are not at a disadvantage when compared to their peers internationally. The inter-library loan network cannot work efficiently without certain exemptions as many publications are no longer available.

The Association for the Study of Canadian Radio and Television says that research is impossible under the current law. Copies of the whole work cannot be made for private study. Educators and researchers are forced to use American material because it is readily available for free, especially at the university level.

For example, the CBC has only four people working its sales department for education and does not have the time to work on copyright clearance, nor do the professors or researchers who need to use the material. The CBC has nothing available with clearance which is appropriate for university use, again sending users to the U.S. for material. They are not unwilling to pay reasonable royalties. In the U.S. Canadian works are available at less than half the cost they are in Canada. The current law is there to be broken, not complied with, as it is impossible to work under.

The Vancouver Community College Library Services' director says that in order for inter-library loan services to operate efficiently exemptions are necessary. Libraries already pay a higher subscription rate for journals which one would expect to cover use by more than one person. Inter-library services should be able to provide a copy of a work no longer available or rare to another library. They should be able to use material taped from the television for a limited time, 45 days, as is allowed in the U.S. They think that the classroom should not be considered a public performance arena. Educators should be allowed to do their jobs with fair access to Canadian material.

Right now costs are too high. They have found that most journals are willing to grant permission to copy for educational use when asked and without royalties, but this is a very time consuming process. By limiting access to information the Copyright Act only serves to put

Canadians at a disadvantage in the areas of research and education.

I am not against collectives. In fact my bill is designed to work with collectives. However, I am really disturbed about CANCOPY, the collective that is currently operating in Canada in the area of published print material. I think it has to operate in an ethical fashion and not by threats and intimidation. We have reports from UBC, Vancouver that in fact that is what it is getting.

The Association of Universities and Colleges has recommended to all its members that they not sign agreements with CANCOPY until it has decided what is an appropriate agreement, and it is getting threats from CANCOPY that it will be sued.

I think there should be guidelines to follow when establishing a collective. For example, I think its membership should be public. We have been trying to find out who are the members of CANCOPY and all we can get is a list of who are not the members. We know that a lot of people are not members. For example, the Canadian government is not a member. CANCOPY is going around claiming to have the copyright for all published material in Canada with these exceptions, as well as internationally with these exceptions that are listed here. In Canada the exceptions are: the Canadian Law Book, Nelson Canada, the Thompson group, Clarence Boon and Gladys Downes.

There are an awful lot of other people in Canada who publish material. Certainly if we start thinking about government publications, Canadian scientific journals, newspapers and magazines other than the Thompson chain, all children's authors and all textbooks, clearly it is outrageous to think that these authors have all been approached and all know that CANCOPY is purporting to sell their copyright to various bodies.

The Ontario government has in fact an agreement now with CANCOPY at a cost of $2 million which applies to boards of education in Ontario. It does not apply to the colleges and the universities, to the libraries or to the many other public agencies. It only applies to the boards of education.

In looking at the agreement I think it is extremely limited. First of all, as I said before this is just published print material. It allows one to copy a poem. It allows one to copy up to 10 per cent of the work and it allows, for example, one to copy a short story out of a textbook. I have found that a lot of what I was doing as a media studies teacher was certainly not that. There were lots of excellent Canadian textbooks with poetry and so on in the English curriculum, but in many other ways the kind of stuff one wants to copy is often in *The Globe and Mail* and on television. There are many other sources of material.

Another question is: What is CANCOPY going to do with the $2 million, because there is no proved mechanism now to distribute that money? We do not know who is going to get the money and we do not know who the membership is. There are an awful lot of people out there who I think would be rather surprised to think that their copyright has been given to CANCOPY.

Indeed we have a situation here which is chaotic and which is hurting various activities in the education field and the library field across Canada in a very visible way. I think all we have to do is go into a library and look at the line-ups at the copying machines of students who have to make one copy from one book they are supposed to be studying that is in the library.

When I went to an American university, Harvard, it would pass us out the copies. We had access to the material we needed to study. Now we have students standing in long line-ups. That is just one small example.

Teachers are intimidated. They are not using materials. They are using found materials that they themselves have developed, student materials and American material. I think there is a real ongoing inhibition on learning.

I have met with the new minister. I am pleased that he seems to be taking a greater interest in this topic and will shortly be bringing it to cabinet. He has promised to have legislation by the spring. I am hopeful that that legislation will accommodate many of my concerns and those of people in general, but I am very concerned about the timeframe.

• (1720)

Clearly we could be well into an election before this is fully considered by the House. I would like to express great concern about that because it is unfair. The government made a commitment to users and that commitment should be fulfilled.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, first and foremost I would like to congratulate the member for Don Valley North. She has done us a great service. It is a very good step forward.

There are certain parts of the bill that I think need to be examined a little more closely. The member can be very sure that she will see the support of myself and my party to move this forward in the committee so that we can examine some of the issues that she has brought to light and some of the ongoing issues which are the end result of a minister of that day. The then minister from Kingston and the Islands, in such a rush to put a crown on her head and be the first to have amended copyright law, did not really care about or pay much attention to the serious flaws in the first section of copyright. She subsequently has not fulfilled her promise nor have the subsequent ministers fulfilled their promise to bring in the second phase of copyright.

It was a bill that needed to be amended. It was a 1924 bill. It needed to be updated. This government did an update in 1988 with Bill C-60. If I could just say to my hon. colleague, it probably was one of the big nightmares of my life. I could also tell my colleague that there was a lack of interest by all members from the government side of the House. They did not attend the close to four months' worth of hearings and advised me that there was nothing in that bill to worry about. They said that there was no need for consultation and that all the answers were in that bill. When we finally started to unfold and look at this tangled web, to use another expression, we discovered so many flaws, so many errors that I cannot remember the number of amendments that were brought forward to the first phase.

The second phase which is the whole key to copyright, fairness and balance, never came to see the light of day. There is a fundamental belief by all fair Canadians who recognize that intellectual matter belongs to the creator. Whether it is a person in the artistic field, a writer, a composer, a choreographer, a dancer or someone drawing the plans for a building, an architectural design, they have the right to the creative endeavour and to be paid for it.

Educators have never argued that right. What educators have said from their perspective is that they have a very serious responsibility, that is the future of our young people, the future of our country and the future as they train and educate.

I was fascinated to learn about the member's responsibilities as media teacher. Of course there has been tremendous technological change. There has been tremendous movement forward with respect to how one learns and the medium through which one learns today. If we recognize the hundreds and hundreds of hours in which children sit in front of a television set and how they absorb and learn as compared with how many hours they spend in school, that alone, in and of and by itself makes for the recognition that they need to have access on a spontaneous use basis to many of the creative and researched articles that are done on *News Magazine*, on *The Journal* and on certain of our Canadian documentaries. I well understand the frustration of all educators out there that are in contradiction of the law and that essentially teach law and order. They teach moral precepts in terms of comportment, behaviour, honesty and integrity. Yet the teaching profession is forced to misuse and go against the grain.

On the other hand as well, while this bill was providing for stopping the haemorrhage, the piracy of intellectual property, it did not look at the other side of the coin. It did not examine the need for use and the mechanisms of fair use.

One of my concerns about her bill is the term fair use. That is an Americanization of the approach that we want to have here in Canada. There is a fair balance that we have to find. I would hope that she would be open to examining that and the kind of change that would have to be made to her bill, which is fundamentally sound with a few little changes here and there.

If we talk about the copyright being an issue of balance—if you use it you pay for it, except in certain conditions and under certain constraints—I think that the creators would be happy as would the educators and the researchers.

One of the most moving briefs came from the Canadian Institute of the Blind about the young women and men who need to have enlarged print, who need to have it now, who need to be able to use it so that they can keep up with their other colleagues. There is nothing wrong with these young people. They have all the intellectual attributes of anyone else. The deficiency, if you may call it that, or the handicap is that of being partially sighted.

There are many ways in which one can help the partially sighted. Among them is projection of a daily newspaper text on to a screen and the production of an enlarged script for them that they are able to read. No, that is against the law. That is totally unacceptable.

I would think that the hon. member's bill should move quickly into committee so that we can look at many of these areas.

I do not know if the member is aware of one of the facts that really annoyed me. The Minister of Communications received a letter early in July and he has received a subsequent follow-up letter sent September 2 which included all the groups that the hon. member alluded to: libraries, school boards, universities, CEGEPs, CNIB. They wrote the minister and asked for a meeting.

The hon. member brought to our attention, and rightly so, that the consultant committees were set up. It was a great coup when the creators sat down with the users and with the Department of Communications and drafted a list of those things which could be considered exemptions, those things which could be considered available for spontaneous use because they are timely, they are today. The accident did not happen yesterday. The Berlin wall did not fall then. It fell now. The Middle East peace talks are taking place now, not when the collective negotiated the list and the repertoire. It became pretty obvious that there were things that needed to be changed.

That consultative group got together. It came up with some sound proposals. The members found a common meeting ground. As they have not been able to get together and phase II has not been introduced, they wanted to meet with the minister to bring him up to date about where they were at, as he is a new minister. They also wanted to advise him that because the second phase is so long in forthcoming what they negotiated is now no longer totally useful because of changing technology. They wanted to share with the minister what new changes need to be made to the list which he presently had or his staff had on hand. Still there is no answer from the minister.

That is totally unacceptable. I am not blaming the minister. I am blaming the bureaucracy. The bureaucracy should know that. The hon. member who is going to respond on behalf of the minister should be aware of this and bring it to his attention. She is a very hard working parliamentary secretary and I know she will diligently bring this to his attention.

It would be very interesting to find out in this committee what CANCOPY is doing. We are in the midst of status of the artist legislation in which we are supposedly responding to the needs of individual artists, which we are not; where we are supposedly responding to a variety of concerns.

We should be calling these groups before us. Let us hear what the writers, the film makers, and the TV people have to say. Let us get down to the bottom of CANCOPY, in or out, fair or unfair. Let us know what can be done for the universities and the libraries and our students in particular especially with illiteracy, the school drop-out rate and the need for a good manpower training program. Why is it not being done?

Thank you very much for presenting the bill. We support it.

• (1730)

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I want to take this opportunity to congratulate the hon. member on an initiative that is really long overdue.

I have some concerns about the bill. However, certainly in terms of its over-all intent, we are very much in support of it. It is an initiative that has been needed for some time. The government has recognized the need to bring this in and we support it in its efforts. We would certainly like to see this bill move quickly to committee where I feel it could be strengthened somewhat and made into legislation that would provide effective support for those particular communities, such as the education community and the research community, that right now are often unknowingly in violation of copyright laws.

I come from a research and academic background. I was also an educator. I can remember when I was doing my graduate work some time ago. Graduate research involves copying large volumes of material for your own use in order to produce the thesis you may be working on. It is the nature of that kind of academic research that it has to involve that kind of activity.

Graduate students for years have been knowingly or unknowingly breaking copyright legislation. Universities have been. I would submit that every member's office in this House of Parliament in fact breaks copyright legislation in its day-to-day activities.

It is one of those areas in the whole field of communications where the the pace of technological change has outstripped our policy framework to manage that change.

A simple example would be as follows. A news article, a story, or a piece of literary work could easily be photocopied in an office in British Columbia. That photocopy can then be fed into a fax machine and transported electronically through satellite linkage and fibre optic linkage to an office here in Ottawa. That office can pick up the message either through another fax machine or through a fax modem built into a computer and print out that message. That is basically in violation of a copyright even though they are using legitimate means to communicate a message.

We have a really difficult situation here that requires changes to be made. The over-all intentions of the bill are good. In particular, reflecting back to the educational field, I think our educators need the widest range of choices available to communicate effectively with and teach our students of today.

Bill C-60, which was phase I of copyright reform, was passed back in June 1988. At that time the Minister of Communications indicated that educational exemptions and phase II of the copyright reform would not be long in coming. There was assurance given to this House at that time that the second round of amendments would in fact be introduced in the fall of that year. That was three years ago now. Successive ministers of communications have insisted that this phase II reform is just around the corner. However that corner has been a long time coming.

Not only has this necessary reform been delayed too long, but certainly the policy direction of this government has remained very unclear. A year ago October the then Minister of Communications indicated in an unofficial speech that there was a change in policy. Instead of including exemptions proposed by two committees on phase II legislation, a new system was proposed by the then minister. Under that system all uses, including educational uses of copyrighted materials, would be subject to payment. Needless to say the outcry from the educational community was extreme and legitimate. It had been promised one thing and were now essentially being told another.

There have been mixed signals from the government in regard to phase II of copyright reform. That has caused the issue to become very confused, very agitated and very complex for educators, creators and people involved in non-profit academic research.

I would just like to give a couple examples of what people are up against without even really knowing it. It startles me as a former educator who taught in the sciences. I guess I broke copyright rules every day. I hope with that admission that the copyright cops do not come looking for me because I think it is indeed very common.

A poem written out in full on the blackboard for discussion in a class is a violation of copyright. A news program taped by a teacher, perhaps for an elementary class for discussion, is a violation of copyright. A rented film shown to a class is again a violation. Most educators are probably unaware of the fact that almost on a daily basis they are almost forced to break this law through their professional conduct.

Obviously the law is not working very well. It needs to be changed. This amending legislation does to some degree recognize the difficulty in making those changes.

Over the past little while my office has received a number of letters from educators right across Canada that are really concerned. They simply cannot contact every copyright holder. If there is an article they want to use for their class next day how are they going to write to the copyright holder and ask to use the material. It is simply impossible to function that way.

Educators have a right to know whether their actions contravene the copyright act. I think students, particularly those in post-secondary education, also have a right to know. They also have a right to be provided with the widest access to the information they need to pursue their education.

There are problems with the bill. I recognize that but I fully support its merits. In recognition of that we want to move this bill into committee stage so that we can listen to expert testimony from witnesses before the committee and then make the kinds of necessary amendments needed to make this legislation really work.

In the final analysis we have to ensure that there are built-in safeguards, provisions, and protections to ensure that educators and those involved in non-profit or educational academic research are given the freedom that is necessary to allow them to pursue their professional goals.

We concur in principle with the bill. Let us send it to committee and let us get good legislation out of this.

[*Translation*]

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, we are dealing with a very outdated law: the current Canadian copyright law was proclaimed in 1924, and until two years ago was never substantially revised. This is a 68-year-old law that used such terms as "perforated rolls" and "mechanical contrivances". In the intervening years, we have seen the introduction of radio, television, photocopiers, audio and videotape recorders, computers, satellites and a variety of information storage and retrieval devices.

On the one hand, new technologies have greatly encouraged the creation and dissemination of Canadian creative works; they have helped in the actual production of such works and generated new methods and new markets for the exploitation of copyrighted works, thereby increasing the potential for financial compensation for rights holders.

• (1740)

On the other hand, while these technologies have helped disseminate the works of Canadian creators, they have allowed the use of such works without permission. Consequently, a host of complex legal problems have arisen, many of which require legislative solutions. We began addressing these problems in 1988 when the 1924 Copyright Act was partially amended by Bill C-60 and the Free Trade Agreement Implementation Act.

The 1988 amendments made nine specific changes to the Copyright Act.

We increased criminal fines from a mere maximum of $200 to $1 million.

We gave explicit protection to computer programs; and enhanced moral rights to protect the reputation of the creator.

We enshrined a right of public presentation for artistic works; clarified the interface between copyright and industrial design.

We gave protection to choreography whether or not it has a story line; and we abolished compulsory licenses for the making of sound recordings, allowing for negotiated royalty fees within the marketplace.

Bill C-60 also encouraged the formation of collectives that represent the interests of copyright holders. Based on a concept which has worked well in the music industry for over 50 years, these collectives can be formed in all areas of copyright to negotiate licenses with the users of copyright materials.

Collectives provide users with quick and easy access to copyright materials. If the collectives and users are unable to agree on a fair royalty rate, either party may ask the Copyright Board to set the rate. As such, the amendments to the Copyright Act also broadened the mandate of the Copyright Board.

The changes I just mentioned were the beginning of the amendment process to an antiquated law. These amendments demonstrate a strong commitment by the government to proceed with further copyright revision to deal with other important issues. The amendments have also been welcomed and applauded by both the creator and user communities.

Bill C-269, before us today, deals with a copyright issue which requires careful attention. The government shares the hon. member's concerns and appreciates her efforts in attempting to find a solution to the complex area of the use of copyright materials for educational purposes. The issue here, however, is not whether to address the subject of exceptions but rather to determine the most appropriate method.

Bill C–269 presents one method of handling exceptions to the copyright law. The bill deals with "fair use", which would provide certain exceptions in the Copyright Act so that dealing with the copyright owner becomes unnecessary if a use is considered "fair" according to criteria set out in the law.

Viewed as a whole, Bill C–269 attempts to provide access to various users of copyright materials where such access is not available on a blanket license basis; that is, where a license is not available through a collective. However, ther are a number of problems inherent in the bill as well as external factors which require careful analysis and consideration.

Bill C–269 provides exceptions for schools and libraries, as well as other users. The bill is a significant departure from the concept of fair dealing contained in the current Canadian Copyright Act. Bill C–269's proposal is substantial. In some respects, it appears to be broader than the position reached during the dialogue which began several years ago between the government and creators and users, such as librarians and teachers. The government is using these discussions not simply as a reference point, but as an integral part of the current revisions governing exceptions that we will be proposing in the very near future. These discussions are crucial and must be taken into account in a comprehensive way in any amendments to the Copyright Act.

Copyright revision has always been a complex, controversial matter. One of the reasons for this is the balance that must be achieved between creators and users. But the provisions for exceptions are especially delicate; they are one of the clearest representations of that crucial need for balance. Given this need, the government made special efforts early on to ensure that both creators and users participated in the policy–making process for exceptions for libraries and educators.

In 1987–1988, two consultative committees were formed by the Department of Communications to discuss educational and library exceptions in the Copyright Act. In the beginning, creators and users came to the negotiating table at polar ends. Users wanted broad exceptions to allow them free access to works required for teaching and research and for library patrons. Creators were strongly opposed to such broad exceptions, since they perceived them as undermining the principle of copyright and too greatly reducing royalties. After much debate over several years, which I understand was very lively at times, the two sides finally found some common ground.

The consultative committees agreed that specific exceptions for libraries and schools be set out in the law, as opposed to an exception of the idea of fair dealing. That way, schools and libraries would not be faced with the ambiguity of determining whether a certain activity would be considered fair dealing by the courts. Instead the exceptions would clearly outline the exact types of activities which would be freely permitted within the scope of the copyright law.

As I indicated earlier, the discussions which took place within these consultative committees will be used as the basis for the drafting of the educational and library exceptions in the next phase of amendments to the copyright act. The provisions we will be proposing are anticipated by creators and by the education and library communities. In addition, the council of ministers of education of Canada support these provisions.

I applaud and share my colleague's concern regarding the urgency and the importance of providing exceptions for educators and other users. The government's new amendments to the Copyright Act will be introduced in very short measure. I am confident that my colleague will find this to be a comprehensive package which strikes the appropriate balance between the rights of creators to fair compensation and the rights of users to have adequate access to copyrighted materials.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, first of all, I want to applaud my colleague's initiative, a very interesting initiative indeed, and to thank my other colleagues for their very constructive comments. It was the hon. member for Don Valley North, if I am not mistaken.

[*English*]

If my memory serves me correctly, I believe this same member has a private member's motion and a petition on another important topic, family reunification. I think she should be commended for that. People already in this country are often separated for years from their spouses, children and other close relatives. I am delighted that she has taken this particular initiative as well. It is a serious problem that needs attention.

Let me address this one specifically. This member is providing leadership for her government and it is sadly needed not only in this area but in a number of others. I rose in the House of Commons today on a question and indicated that the government had in fact undertaken a number of initiatives which unfortunately had not gone very well in the area of education. I pointed out for example, the transfer of funds to colleges and universities; funds for training and retraining, research and development. I added as I recall, student aid.

• (1750)

I could have added copyright and I say that in this sense. When I talk to educational organizations across this country, the Canadian Federation of Students, the Association of Universities and Community Colleges of Canada, the Canadian Association of School Trustees and ask what their three major problems are I venture that copyright would be mentioned every single time.

This is a serious problem. It is a priority and I am delighted it is being dealt with. I hope that we can in fact proceed.

The question we have to ask is: Why has there been no action to date? What is the problem? It is a serious problem. People have identified it as such. It has been around for a long time. All kinds of organizations, people who talk to politicians and others have asked that it be dealt with. What is wrong?

I hate to say this, but it falls somewhat in line with the government's behaviour on a number of other dossiers. They are unable to solve a number of problems and this is one that needs to be resolved. We must not wait month after month, year after year before dealing with this. It is not necessarily easy, but we have some fundamental principles that we know are operative.

There is the creator of the work that must be rewarded. I believe that everyone wants that to happen. There is the learner that needs to use the material, as well as the teacher and the researcher. We know that has to occur. We also know that there are at times minimal uses that are very important in terms of preparing materials for teaching or research projects or what have you.

Therefore we have these fundamental principles in place. We know there must be a fair reward for the creator and fair use for those who need limited amounts of that creation in order to make a point in colleges, universities, schools and elsewhere.

The foundation is there. Who is affected by all of this? I said it was a priority. It is a priority not only because it has been around for a long time. People are frustrated. They want a decision and they are feeling very awkward in terms of what is actually happening in classrooms today. My colleagues have mentioned that.

The students in colleges, universities, high schools, elementary schools and in certain instances, the teachers and professors also need some guidelines on copyrights as do researchers and research libraries. Some people have special handicaps or certain disabilities, if you wish, in terms of learning. Because there are limited amounts of material and because they have special needs, we need to deal with it and be able to help them as well.

[*Translation*]

What should we do now while we are debating this bill? I think it does give us some basis, some direction, some guidance, if you will.

I think it is time to hear from all sides, from people who want to talk to us about this bill, to listen to them carefully, as we are presently doing, and to take their suggestions, comments and insights into account in order to proceed.

I must repeat—and I want to be very honest about this because I think that a number of people do not see the dilemma—that there is a major problem. I talked about the students, the teachers, the researchers, the library workers and other people who are frustrated and do not know what to do. It is up to us to take this opportunity to proceed. So let us not let this chance go by.

[*English*]

Having said that, I believe this is a meaningful contribution. We have the basis for discussion and should now proceed and invite people to address the question so that we can improve upon the various sections that do need improvement.

I do not want to prolong my address. I simply want to propose that this subject matter be referred to the appropriate standing committee.

Mr. Cole: On a point of order, Mr. Speaker. I would just like to understand what the member is proposing here.

He has suggested that the subject matter of this particular piece of legislation be referred to a standing committee. My concern with that is that standing committees are masters of their own destiny. Are we obliging the standing committee to look into this particular piece of legislation or are we obliging them to look into the whole matter of the Copyright Act? If we are doing that, are we not infringing upon the work and effort and independence, if you like, of the standing committee? I would like that clarified.

Mr. Milliken: Mr. Speaker, clearly the committee can makes it own decision but I wonder if, in light of the support for this bill, there is in the House unanimous consent to give it second reading and refer it to a legislative committee.

Some hon. members: No.

The Acting Speaker (Mr. Paproski): No?

Mr. Milliken: I suggest that the order for second reading be withdrawn and the subject matter of the bill be referred to a standing committee. I am wondering if that is acceptable. It would mean that the committee can pick it up and study it in the normal course. Obviously there are many things referred to the committee. The committee is in control of its own agenda and is able to make up its mind as to what it wishes to study and in what depth, but it is a way of pursuing the subject further in light of the government's unwillingness to allow second reading of the bill.

The Acting Speaker (Mr. Paproski): Is there unanimous consent to allow it to go to a committee?

Some hon. members: Agreed.

The Acting Speaker (Mr. Paproski): It has been moved by Ms. Greene that Bill C-269, an act to amend the Copyright Act (fair use), be now read a second time and referred to Legislative Committee G.

Mr. Milliken: Mr. Speaker, that is not the agreement. The agreement was that the order for second reading be withdrawn and the subject matter of the bill be referred to the Standing Committee on Communications and Culture.

The Acting Speaker (Mr. Paproski): The House has heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

Order discharged, bill withdrawn and subject matter thereof referred to the Standing Committee on Communications and Culture.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

THE ECONOMY

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, on September 19 of this year I asked the Prime Minister about the state of the economy and what he was prepared to do in light of the fact that we were in an absolutely stalled position in terms of the economy.

The results of the recession were having a very serious impact on my riding, and Montreal in particular, and certainly across the country. In answer to the questions that I posed on the economy, the statistics and on what the potential future was for the families, the seniors and for youth in my riding and the hope that they would have a job and have something to look forward to in terms of improving the quality of their lives, the Deputy Prime Minister promptly, in a sense, criticized the Statistics Canada study which said that less than 1 per cent improvement in the family incomes was the experience of the decade of the 80s.

He went on to laud his government's economic policies which have been one of high dollar—the highest since 1976—high interest rates and the wrong tax at the wrong time with the GST which created the recession, the results of which were shown in the Statistics Canada study.

I then asked a second question of the Prime Minister suggesting that the exaggerations, the lack of understanding, the lack of clarity, the lack of content and the lack of forthrightness in the response of the Deputy Prime Minister were unbecoming of the country and the nation at this time when there were great anxieties concerning a destabilized economy and a destabilized, very cynical public.

The Prime Minister said: "Never mind about the 600,000 Quebecers who are out of work", and he went on to laud the drug bill and the implications for new drugs

research and "never mind the whole business about generics."

• (1800)

The facts are that in my riding alone we need 463 units a year. The government has only built 300 units of social housing and we have 4,000 low income households in Cote de Neiges that pay more than 30 per cent of their income in rent and we need these new housing units.

The other fact is that one person in four knows poverty. Six hundred thousand are without work. We are the unemployment capital of Canada. Thirty-two per cent of the residents live below the poverty line, seven communities have more than 40 per cent poor, 374 centres distribute food at food banks and 80 do not even have enough food to distribute, 29 per cent of people under age 18 and 32 per cent of those over 65 live in poverty, 15,000 people are without homes, 4,000 of them sleep on the streets in Montreal, and a large number are the youth without work, without hope, and without any education.

That is where our big problem lies.

I want to draw attention to the fact that in Montreal alone 25,000 households now depend on food banks every single month, an increase of 23 per cent since last year. It is the fastest growing industry in Montreal.

My question was: "Mr. Prime Minister, what are you going to do in the face of these facts?" The answer was: "Increase the ability of drug producers to produce more drugs".

[*Translation*]

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, the hon. member for Mount Royal maintains that this government's policies are to blame for the fact that family incomes did not increase during the eighties and that Canadians have been hard hit by unemployment. Let me set the record straight.

When my government came to power in 1984, the economy was just recovering from a world-wide recession, aggravated by the poor administration of the previous government. That is the situation we inherited, and we were successful in doing something about it. In fact, we completely turned the situation around. Our economic policies helped to stop the drop in average family income which occurred between 1980 and 1984 under the previous government. Our policies also brought about real growth in family income for the first time since 1980.

In fact, between 1984 and 1989, there has been real growth in family income at the rate of 2 per cent per annum, which compares very favourably with the growth Canada experienced during the seventies. Mr. Speaker, I would also like to point out to hon. members that according to the study by Statistics Canada, the gap between rich and poor widened during the first three years of the eighties. In 1984, however, there was a general upturn which continued until the end of the decade.

Mr. Speaker, this government believes that jobs are the best income security for Canadians. I may point out that economic policies implemented since 1984 have created 1.6 million new jobs.

FOOD BANKS

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, on October 21, I asked the Prime Minister to respond to a call for help from food banks in Montreal by promising to organize a round table conference on poverty. I was referring to a recent study by *Moisson Montréal* which revealed that more than 25,000 households in Montreal now depend on food banks every month, an increase of 23 per cent since last year.

When the study was released, Sid Stevens, director of Sun Youth, the biggest food bank in Montreal, said that food banks were no longer able to meet the demand.

[*English*]

When Sun Youth opened its food bank in 1981, it was supposed to be a temporary service to help the poor during the recession. Mr. Stevens now says that food banks have become a necessity, a way of life, and now give out more than 4,000 food baskets a month.

Reverend William McCarthy, executive director of Montreal's Old Brewery Mission, said: "I have never seen it this bad in 30 years". The same message was conveyed by the director of Montreal Harvest, John Pasquini: "The demand for food is outweighing the supply. Governments have to make the plight of the poor an urgent priority".

[*Translation*]

I have also been in touch lately with *Le garde-manger pour tous*, another food bank in my riding which mostly serves southwest Montreal. Those in charge said they also lacked the resources to respond to increased demand.

Mr. Speaker, *Le garde-manger pour tous*, Sun Youth, *Moisson Montréal* and The Old Brewery Mission are all saying the same thing: they can no longer meet the demand. They are asking all three levels of government to set aside their jurisdictional quarrels and consider how this problem can be solved.

Unfortunately there has been no response so far, and it seems the Prime Minister has not had time to visit Sun Youth. In fact, Mr. Stevens invited the Prime Minister to visit Sun Youth over a year ago.

[*English*]

He wanted the Prime Minister to see for himself how Sun Youth operates. Mr. Stevens added in a letter to the Prime Minister: "During recessions, the requests put on us for aid escalate to the point where we are unable to meet the demand. This is a time when we Canadians, politicians, corporate leaders and those of us involved in providing these charitable services must come together to overcome the problem our lesser fortunate compatriots are faced with".

To this invitation, the Prime Minister's office replied: "It is impossible to include this event in the Prime Minister's heavy agenda".

In May 1991 Mr. Stevens again wrote to the Prime Minister inviting him to visit Sun Youth. In September in another letter, Mr. Stevens informed the Prime Minister during the postal strike Sun Youth had over 1,000 seniors in one day lining up at the food bank asking for support. It was a record number.

When I raised this question with the Prime Minister, he said that he found the suggestion interesting, that he would look at it and that he would report back to me.

Sun Youth is still waiting for an answer, and so are the 53,000 Montrealers who now use food banks every month. I urge the Prime Minister to accept Mr. Stevens invitation, and to accept the invitation that has been extended by the Sun Youth organization.

I hope that he will visit Sun Youth before Christmas.

[*Translation*]

Mrs. Nicole Roy-Arcelin (Parliamentary Secretary to Minister of Communications): Mr. Speaker, I am very concerned that many poor hungry Canadians depend on food banks. The people in charge of those banks see the misery and even despair of individuals who have to rely on that type of emergency assistance. In addition, they always have to try to obtain enough gifts of food.

I congratulate them on their work and their dedication to the needy. We face a complex multidimensional problem for which there are no easy answers. In many ways, this phenomenon reflects some deep changes in society.

We must face these changes, but we must also recognize that there are no one-dimensional solutions. We must try to deal with social and demographic changes. Given the available financial resources, we must try to preserve our social programs as much as possible. In particular, we must help Canadians acquire new job skills so that they can adapt to the demands of an ever-changing market.

We must therefore work on finding solutions to economic and social problems while striving to ensure that all Canadians can live in dignity, with suitable food and adequate housing.

To solve the human and social problems confronting us, we must put the country's finances in order and that is why the government is determined to reduce the deficit. We cannot go on indefinitely allowing a national debt as big as ours—$15,000 for every man, woman and child—to continue to grow.

[*English*]

WOMEN'S PROGRAMS

Ms. Mary Clancy (Halifax): Mr. Speaker, my question on June 17 was: Will the minister assure the women of Canada that there will be no further substantive cuts both to funding for women's programs and to funding for women's groups. Will he restore funding to pre-1988 levels and index such funding?

[*Translation*]

May I remind the minister that women make up more than half the population of Canada—52 per cent. In a democratic society, the needs and concerns of more than half the population must be taken into consideration.

• (1810)

[*English*]

Women are not a special interest group. We should enjoy complete access to funding, funding I might add that is not uncertain, funding that is not insecure or precarious and funding that does not teeter on the brink of the government's own idea of what the fiscal imperatives are.

While I commend the government for the step forward it is taking in the direction of understanding such things as violence against women—and by the step forward, I mean only the appointment of the Canadian panel on Violence Against Women—I find such a commitment whose price tag is $10 million and a commitment, as I say that I appreciate, at odds with its unwillingness to fund other programs for women. This is not something that can be dealt with on a single initiative. It is something that must be dealt with on numerous initiatives.

Just today we received *Living Without Fear*, the response of the government to the report of the subcommittee on the status of women entitled "The War Against Women". This is effectively what I am talking about. In this report there are many pretty words, but there is very little for the women of Canada to hang their hopes on. We read such words as support *vis-à-vis* such words as funding.

Believe me, Mr. Speaker, it is the word funding that we need to hear. It is the word funding that means everything to the women's groups that are hanging by a thread out there in every province and territory in this country.

These groups and the persons who work for them, most often on a volunteer basis or on wages that put them squarely in the category of the working poor, are a primary source of information for the members of the Canadian panel on violence against women. It seems to me unfair that they should suffer, that they should have to take low salaries and poor conditions because of their commitment to an ideal that the government talks about being committed to as well.

That is why it is so crucial that these groups know that funding will not be cut off, not in next year's budget or the budget after that. It is also crucial that the funding be indexed. These women work in conditions, as I have already stated, that are not of the best. They need to know that their programming and their very futures which are so crucial to women in crisis in their communities will carry on. They need to know that the government's commitment or alleged commitment to true equality between the sexes extends to them, the soldiers in the front lines of the battle.

Consequently I urge the government to let the women of Canada know just what its real commitment is to this urgent issue. It is time to close the credibility gap and the hypocrisy and let us know just what exactly is going on with funding.

[*Translation*]

Mrs. Lise Bourgault (Parliamentary Secretary to Minister of Supply and Services): Mr. Speaker, the hon. member for Halifax is asking the government not to cut women's programs in the Secretary of State this year. Well, her wishes have been answered, there were no cuts in the budget for this year.

As you know, Mr. Speaker, the Secretary of State, like all members in this House, is very sensitive to women's issues. We meet quite often with the National Action Committee on the Status of Women and I think I can say that, despite the fact that we do not always see eye to eye, we maintain an excellent working relationship with the committee, which we wish to continue.

The Secretary of State, along with the Minister responsible for the Status of Women, have demonstrated their commitment to stopping family violence. We have committed $6.6 million over four years to that end. We have targeted underprivileged women, women in remote areas and also native women who face the same kind of problems. We also created a new committee of men and women whose mandate is to look at family violence. I will conclude by saying to the hon. member, who has a keen interest in women's issues, that governments should not be the only ones to act, women themselves should get involved and should fund national committees whose role would be to help our sisters get out of their plight.

Adjournment Debate

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. Phillip Edmonston (Chambly): Mr. Speaker, nearly a month ago, I had a question for the Solicitor General, but in his absence it was answered by the Minister of Justice. The question referred to a constituent of mine who worked for the Canadian Security Intelligence Service—CSIS, our own secret service. I raised with the minister the problem of my constituent who was contaminated by bacteria or substances during a search of debris or residues of the fire at the Soviet consulate in January 1987.

Since he was a resident of Saint-Bruno, he came to my office and said: "Listen, I asked CSIS for compensation, and I asked them what the contaminant was. Was it a bacteria or some kind of product that the Soviet Union put on its papers or on objects that burned in the fire?" He never got an answer, and he was fired.

I know there is a case before the courts involving this agent of our secret service, but this does not prevent the government from being fair to a person who did an honest day's work for the government and simply wants to know what is wrong and whether he can get compensation, since he can't work as a result of the respiratory infection and problems he now has as a result of this search.

There are other questions, Mr. Speaker, but the main one is: Who authorized this search? Was it a spontaneous fire or did we set the fire?

Finally, I am not asking these questions because I am a great big paranoid Quebecer, but the fact is, we in Quebec are used to seeing our barns burnt and our membership cards stolen. So I would like some specific answers to these questions from the minister.

Mrs. Monique Tardif (Parliamentary Secretary to Solicitor General of Canada): Mr. Speaker, first of all, I want my hon. colleague to know that the Minister of Justice and Attorney General of Canada did bring to the attention of the Solicitor General the question he raised in this House on October 11.

My colleague acknowledged, when he first asked this question, that he knew the issue was before the courts. As everyone knows, when legal proceedings are ongoing, the Solicitor General cannot interfere or make any statements that might cause prejudice.

My colleague referred to the health status of his constituent. I just want to tell him the government and CSIS are well aware of their responsibilities and they know they have to ensure the health and security of all their employees, not just those ones, but all of their employees. They take their responsibilities very seriously and will continue to do so. When it was created, the service applied Treasury Board policies and guidelines on occupational health and safety. Since March 1986, CSIS had complied with the provisions of Part II of the Canada Labour Code which governs issues of occupational health and safety. It also has an official mandate and has concluded a memorandum of understanding on this matter with its unionized and non-unionized employees. Some funds have been earmarked for the safety requirements of buildings and projects.

As for my colleague's comments, which some media have also made regarding CSIS's activities, government policy is not to comment on any CSIS operations.

The Acting Speaker (Mr. Paproski): The motion that the House do now adjourn is deemed to be adopted. The House therefore stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.19 p.m.

HOUSE OF COMMONS

Friday, November 8, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

EXTRADITION ACT

MEASURE TO AMEND

The House resumed from Thursday, November 7, consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-31, an act to amend the Extradition Act, be read the second time and referred to the Standing Committee on Justice and Solicitor General.

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, when I finished last night I was getting to the merits of the particular bill before the House. Clause 2 of the bill would amend section 9 of the Extradition Act as it is now by adding a new section. Section 9 in its present form provides that superior and county court judges may act as extradition judges. They are not thereby granted jurisdiction to consider habeas corpus matters.

The proposed amendment would say that for the purposes of the Constitution Act, 1982, a superior or county court judge, acting as an extradition judge, would have the confidence as if he were acting as a superior or county court judge with respect to habeas corpus.

Clause 3, the present section requires that an extradition judge send the Minister of Justice a certificate of the warrant of committal. This proposal is to amend the section to increase the 15-day delay for 30 days and replace the advice of a right to apply for habeas corpus by the advice of a right to appeal from the issuance of the warrant committal.

The intent is to cut down on the almost limitless number of appeals, applications for habeas corpus, appeals of orders, appeals of court findings and so on which allowed people like Charles Ng to remain in the country, in his case for six years. Madam Speaker, not being from the west, you may not have known that the estimated cost of keeping Mr. Ng in comfort in our jails, not including his legal fees, was estimated to be $1.5 million.

• (1010)

It is simply preposterous that any government could have waited as long as it has to do something about this problem. I also pointed out that he had a word processor computer in his cell whereas, as I understand it, judges of the superior courts across Canada are not allowed to have computer word processors in their offices unless they pay for them themselves. Only people who are resting in penitentiaries are allowed to have them at taxpayer expense.

There are a number of clauses in the bill which I think are fairly self-explanatory. My time is just about up. I would like to end by pointing out that Bill C-31 is an attempt to streamline the procedure and reduce the delays in the processing of extradition cases.

It cannot be stressed too strongly that the bill does not address most of the 30 items that are being considered by the Department of Justice in its comprehensive review of the law and process of extradition. In other words, it is a short-term band-aid dealing with the most widely known and widely publicized cases, that of Charles Ng, Kindler and some others.

The bill basically would leave intact the two-track judicial executive nature of extradition in Canada. The Fugitive Offenders Act which applies to the removal of fugitives among the 41 Commonwealth countries is not dealt with in any way by the proposed bill.

It is a long way from being perfect. One wonders why the Department of Justice, or more particularly the government, does not have the political will to deal with this subject in a comprehensive rather than a band-aid, relatively isolated manner.

They will have to answer for that to the electorate in the next election. Those of us who are concerned about the general problem of extradition will, I hope, continue to press the government to deal with the subject in a comprehensive manner rather than in the isolated context with which it does here.

The problem has lingered and lingered and lingered. The government has waited and waited and waited. I pay full tribute to the member for Peterborough who along with members on different sides of the House have pursued the government vigorously on this.

I would assume that it is only because of the pressure from people like the member for Peterborough that this basically do nothing until absolutely forced government has finally taken a small part of the bit in its teeth and is trying to deal with an aspect of our general extradition problems in Canada.

When the bill goes to committee, as I hope it will quickly, those of us who have worked in the criminal justice area for many years and who have been concerned about this area will I hope have a chance to do something.

Let me end with a point that was made yesterday. I do not see many people who were here yesterday in the House. A person accused of murder in my province of Alberta about 15 years ago, fled the court process, went to Los Angeles and the trial against the co-accused went ahead. When she was ultimately apprehended in Los Angeles, she was put on the plane the very day or the very day after she was apprehended. She was flown to Vancouver and went back to Alberta where she faced a charge.

There was a delay of what might have been a week, but it was not six years as in the case of Mr. Ng. The situation is simply outrageous. I salute the government for finally doing something about a small part of the problem.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I want to congratulate my colleague on his very capable speech.

He mentioned the work done by the hon. member for Peterborough who, I believe, had a private member's bill before this House in the last session. I believe it died on the Order Paper.

I am wondering if he has had an opportunity to compare this bill introduced by the government with that of the hon. member for Peterborough. Does it accomplish about the same aim? Is the route chosen by the government for proceeding similar to that adopted by the hon. member for Peterborough in his earlier legislation?

Mr. Kilgour: That is an excellent question, Madam Speaker, which I would not venture to try to answer. I only wish the question had been addressed to the member for Peterborough.

Mr. Milliken: So do I. I wish I had thought of it at the time.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I am delighted to stand here in this House this morning and speak to the second reading of Bill C-31, an act to amend the Extradition Act.

These amendments to this act have been required for years. Canada has been operating under an antiquated process that started in 1877 and which was modelled after the United Kingdom Act of 1870.

Many of our treaties were entered into originally by Britain in the 19th century with the treaties being applicable to Canada by virtue of her being part of the British Empire. In the new bill is phase one of a two-part update to the Canadian Extradition Act. This bill is the first phase and will streamline a cumbersome and costly process.

For example, two high profile American cases, those of Charles Ng and Joseph Kindler, have been tying up various levels of Canadian courts with appeals for the past six years. I agree, and so do most Canadians agree, with these two persons being sent back to the United States. We must ensure the system is streamlined. It is not fair that our courts be tied up for six years or more. The old law in effect gives foreign fugitives more chances of appeal than Canadian citizens who are charged under the Criminal Code of Canada.

It took six years for these two cases, Ng and Kindler, to be resolved, whereas most criminal matters in our courts are disposed of in approximately one year. Why should Canadians not be afforded at least as many opportunities as Americans and other fugitives in our courts?

Unless we streamline the extradition process, will we not be obliged to change the rules under the Criminal

Code so that Canadians can have a more lengthy appeal process? Why should Canada be a safe haven for killers? This is in fact what it is if we do not curb the trend which we have seen with Ng and Kindler. If fugitives and criminals feel free to flee from crimes committed in their own countries and not have to face the consequences for years, if at all, then of course they are going to flee to Canada. Under this legislation there are eight changes proposed. I will just briefly run through them.

First, at the extradition hearing the judge will now be empowered to hear issues under the Canadian Charter of Rights and Freedoms.

Second, following the judge's decision, there will now be a right of appeal to either the provincial or territorial court of appeal.

Third, the Minister of Justice will now be allowed to review the case and decide on the surrender of the person soon after the decision by the extradition judge, even if the judge's decision is under appeal.

Fourth, an appeal on the minister's decision and the extradition judge's decision can be heard now at the same time at the Supreme Court of Canada.

Fifth, these changes will cut down on taking the appeals through all the various court levels to the Supreme Court of Canada. Under the old law there were two separate tracks on the extraditability issue and the surrender issue.

Sixth, the new changes will generally leave only one level of appeal to the Supreme Court of Canada.

Seventh, under the old process there was a possibility of seven different levels, depending upon the decisions. That was very complicated and very time consuming.

Eighth, there are new time constraints on the various levels. For example, a fugitive foreign state will have 30 days after a decision of an extradition judge to file an appeal. A fugitive can commence submissions to the Minister of Justice earlier in the process, but must have concluded the making of them by the 30th day after the decision of the extradition judge, and the Minister of Justice would have 90 days after the extradition judge's decision to review the case and decide on surrender, and this can be extended under special circumstances.

It certainly improves an act that is very old and antiquated. The cost to the Canadian taxpayer for the two prisoners I have mentioned who were in our Canadian jails for the past six years was an average of $70,000 a year for each of them. When you look at the court costs and the lawyers fees, they are, I am told, in the area of $1.5 million. Canadian taxpayers cannot be expected to carry these costs of processing out of country fugitives and criminals.

• (1020)

With regard to allegations that extradition of persons to jurisdictions where capital punishment could be the decided punishment, on the whole we have to accept the American justice system to be a fair one. Maybe it does not totally agree with ours and we may not agree with their punishment. Some of their states still have capital punishment, which is the death penalty.

We believe these two people were sent back to a fair justice system and that they should be granted due process in the United States.

In the case of Mr. Ng, he had not even gone to trial before coming to Canada. Witnesses in this case were getting older, memories are fading and some are dying. Both Ng and the victims of the crime deserve the right to a fair trail which could be better provided if the extradition process was made more speedy and more efficient.

We must remember that the victims of the horrendous crimes allegedly perpetrated by Ng, their families and the witnesses also have rights. They have the right, first of all, to see justice served and all human rights must be weighed. There are many kinds of rights, social, political and individual, and each must be weighed against the other and we cannot forget the rights of the victims.

We must recognize that there will be instances of imperfections within every justice system, in the United States, in Canada and in other jurisdictions with which we deal. It does not mean to say that the system over all is unjust, but once we recognize imperfection in a system which is just over all, we can attempt to ensure that extra caution be taken in the interest of protecting the individual's rights.

We must ensure that those areas of appeal which have been outlined in this bill will provide protection in cases where there are reasonable doubts. Further, appeals can be made to other jurisdictions, both in the country to which we are extraditing the fugitive and to the various international bodies, such as the UN human rights committee.

These other avenues must be utilized so that Canadian taxpayers do not have to shoulder the financial burden alone. One way that we can ensure a more fair Canadian extradition process is to use care when negotiating treaties with countries with questionable human rights records.

Canada currently has extradition treaties with 45 countries. We are in the process of negotiating more. For instance, currently we are negotiating a treaty with Brazil.

If I could interject at this point, there are two young Canadians who have been sitting in a Brazilian jail since 1989. Their greatest crime has been a humanitarian crime. Both of these young Canadians throughout their lives have been interested and have been working with people who are underprivileged, who are less fortunate than they are. They both come from well-known families in British Columbia. These two Canadians sitting in a Brazilian jail should be brought back to Canada. I feel that our Canadian system is failing those two people at this time.

It is one thing to send someone to justice in the United States, but it it is quite another to send someone to Brazil in order to receive justice. However, we must remember this works both ways and we want to get back any Canadians from places like Brazil.

In principle, I support this legislation, phase one of a two-part update to the Canadian Extradition Act, being sent to committee. I am sure the committee will look at it, hear witnesses and amend this bill to the satisfaction of all Canadians.

I am very delighted to speak in this House on this bill. Many people have approached me from the riding of Nepean, which is part of this federal district of Ottawa Carleton, with great concern that our system has failed them, especially in the case of Mr. Ng and Mr. Kindler.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I am very pleased to be able to speak on this bill. I see in the House the hon. member for Peterborough who has done a great deal of work on this question. I want to congratulate him. I think he is largely responsible for prompting the government to bring forward this legislation as quickly as it has. That, along with the two very well known cases concerning the extradition of Charles Ng and Joseph Kindler, has prompted this legislation. I do not want to lump the hon. member with those two infamous individuals other than to say that they are really the catalysts for getting this legislation through. The hon. member has done a great deal of work.

This is basically a good bill. This is a question that has been concerning the Canadian public for a considerable period of time. Joseph Kindler committed a murder in 1983 in Pennsylvania. He had been in Canada for six years as had Charles Ng who committed a murder I think in 1985 and fled to Canada. These two men have really exhausted every conceivable avenue in Canadian law to the extent that people really were forced to focus on the extradition proceedings and the extradition rights in Canada. Canadians wanted to know why these two people were able to spend so much time in Canada. Why are we paying their room and board for alleged offences that they had committed in the United States?

It became very ludicrous when we had a free trade agreement. We entered into a free trade agreement with the United States as a close neighbour. We were prepared to have our whole economic future dependent upon the whims of the American government. It turned out a little misbegotten but nevertheless this is what we decided to do. Yet we were not prepared to trust the American system of justice to the extent that we would allow extradition of men such as these two back to the United States to be treated in accordance with American law.

Regardless of whether we like the death penalty or not, the United States has a very high degree of law. Certainly it is one of the foremost countries in the world in jurisprudence and rights of the individual. I do not think we were sending these two men back to a country that would immediately ignore any right they may have.

When the Supreme Court brought down its decision in October regarding both of these men, a lot of people in Canada were relieved that our Charter of Rights and Freedoms actually was able to cope with this. Within the Charter of Rights and Freedoms we were able to say as a country through our Supreme Court that these two men had been treated as well as they possibly could be. Their rights are not being infringed upon by being extradited to the United States.

We have an extradition agreement with the United States. That is the irony. We trust the United States and it trusts us to treat cross-border refugees in a very responsible manner. Yet we were keeping these two men for six years. They were going from one appeal to the other at a great deal of public cost. It is not that we look at public cost in the proper implementation of justice. We do not and we cannot as a civilized country and as a country whose justice system is one of the finest in the world and we like to think is still evolving.

Nevertheless we did feel that there was something here that could be streamlined and could be made more effective.

I would just like to relate some of the new changes to this process that have been brought forward by this legislation. At an extradition hearing the judge will now be empowered to hear issues under the Canadian Charter of Rights and Freedoms. Following the judge's decision, there will now be a right of appeal to either the provincial or territorial court of appeal. The Minister of Justice will now be allowed to review a case and decide on the surrender of a person soon after the decision by the extradition judge even if the judge's decision is under appeal. An appeal on the minister's decision and the extradition judge's decision can be heard now at the same time at the Supreme Court of Canada, which is a very important change. This is going to do a great deal to expedite the decision on extradition matters.

• (1030)

These changes will cut down on taking appeals through all the various court levels to the Supreme Court of Canada. Under the old law there were two separate tracks on the extradition issue and the surrender issue.

The new changes will generally leave only one level of appeal to the Supreme Court of Canada. Under the old process there was a possibility of seven different levels depending on the decisions. This very much complicated the matter and of course, as I have already mentioned, this was very time consuming.

These are very important changes. I do not think everything that we would have liked to see is in this bill. There are some matters that have yet to be considered. Still it is a step forward. I think it is very helpful.

I would ask the government why it has taken so long to bring this forward. What we see in this legislation is not inventing a new rocket. It is not discrediting the theory of relativity. It is merely streamlining the extradition process. This is something that members of this House have been calling for, for some time. As has been stated earlier, members have actually put forward suggestions as to how this extradition process could be changed.

I feel frankly there is a dry rot in the Department of Justice that has really got to be looked at and it is right in the minister's office. This was once one of the main departments in government. I know that there are a great many capable people in the Department of Justice. Why is it taking so long to get these matters changed?

In January 1990 the former Minister of Justice and present Solicitor General assured us in a speech which I think was in the United States that the department was working on extradition. It was said that this process was being worked on and that there would be legislation coming forward in a short period of time. Now a year and a half later we finally get this legislation. It was I think because of the work of the hon. member that I mentioned earlier that we finally got this legislation. These cases were causing the Canadian public to be absolutely revolted by the way our system was being abused. It is very unfortunate.

What is happening is that our justice system is not leading the country. It is following Canadians and at a great distance. We are seeing that not only in extradition but in cases of criminal violence in Canada that the rate of violence and violent crimes are increasing. Canadians are more and more concerned about walking the streets of this country. They are more and more concerned about their safety and the safety of their families.

We are not getting the response from the minister and the department that we should be getting. This is vital. If we are going to have the Canada that Canadians want and we in this House of Commons want to work toward, we have to have more co-operation from the Department of Justice. The Department of Justice has to realize where things are going wrong and do something about them before we are embarrassed before the world and particularly our neighbour to the south with our

outmoded laws. Such was the case with the extradition treaty and the extradition laws in Canada.

I find it really unacceptable. I find it tragic that we are falling further and further behind every year in our need to update the laws of this country and to have relevant changes to these laws. We need to be able to say to Canadians that we are on top of the situation and not give them the feeling, as I fear we do, that we do not know what to do about increased crime and the legal difficulties that exist.

The minister was asked yesterday in the House about the fact that over 50,000 cases were thrown out of court because of the Askov case. That is the case where it was decided that the defendant had been waiting too long to have the case heard. It was felt that this was an infringement of his rights and the judge threw out the case. This has had really incredible ramifications right across this country. As was stated yesterday by my friend from Scarborough, over 50,000 cases have now been thrown out of courts in this country. That is incredible.

An hon. member: It is demoralizing for law enforcement.

Mr. MacLellan: Exactly. That is absolutely incredible. One that really sticks in my mind is the case of a young offender earlier this year. Six young offenders had gang raped a 14-year old girl in 1986. They waited for two years to get to court because of the transfer provisions. The prosecutor decided that he or she wanted to have the case transferred to an adult court. The defendants appealed that transfer and then there was another appeal. Finally it was decided that the appeals would be disallowed and the cases had to be heard before a youth court. That was almost two years later. It was two years after the actual process started and more than two years after the crime. Finally the Ontario Court of Appeal said: "That is just too long. The rights of these six people were infringed by this long wait". Imagine.

An hon. member: And they got off?

Mr. MacLellan: They got off because it was felt that this was too long. Now that is absolutely incredible. How, in this country, can we have respect for our judicial system if we are going to have that kind of a result? It is a disgrace. It is an absolute disgrace.

We have to know when a judge is going to resign or, unfortunately, passes away unexpectedly. We cannot let these long periods of time go by without appointing a substitute. I say that with all respect to the government in one area. If there is one thing the government has done right, it is its judicial appointments. I think its judicial appointments have been good ones. I congratulate it for that. Sometimes the cement in this country is our judicial system. That is very important.

I do not want for a minute to minimize the importance of having sound judges on our benches in this country. It is absolutely vital. I know it takes a lot of thought and a lot of consultation. We have the screening committees that are now in all provinces and consultation goes on with the provinces and it is all working.

But please could it just happen a little more quickly? It is estimated now that there will be over 100,000 cases thrown out of Canadian courts within a short period of time. Imagine. This is horrendous. As the justice critic I have had people calling me and crying on the phone. One person in particular will stay with me for the rest of my life. There was a young person who was killed by a drunk driver who is now free because it took too long to bring that case to court. The parents have not only lost a young life they valued and loved dearly but the person who committed this offence is now free. I just cannot say enough about the tragedy going on this country because of the weakening of our criminal justice system.

While I find that this bill is a major step forward, as is gun control, there is an awful lot that needs to be done.

• (1040)

The Young Offenders Act is awful. We are allowing crime to run rampant. We are making little steps forward but crime is making big steps forward. We are falling further and further behind.

I say to the government and particularly the Minister of Justice: For heaven's sake, stop chasing the mice and start dealing with the elephants. Do something quickly. Put a little more time in it and show a little more oomph.

Go on the offensive and deal with the problems that are worrying Canadians.

The economy is worrying Canadians, make no mistake about that. Our constitutional mess is worrying Canadians, make no mistake about that. Also prevalent is a concern about the increased crime rate and safety on the streets of this country.

This is a good bill. I support it without any difficulty at all. For heaven's sake play a little catch-up with the shortcomings of our criminal justice system.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, I want to thank my colleague for his commitment this week to all these bills which are attempting to reinforce the justice system of this country.

He has just finished talking about a very serious situation, about the number of cases being dismissed because of the lack of resources given to our judicial system in terms of number of judges and the number of courts that we are short. Obviously it is because of our correctional system. There are some correctional services institutions with two or three to a room. It is just a scandalous state of affairs.

The government does not seem to realize that all of our police forces are becoming demoralized. They are losing their will to enforce the laws of this land. They look around and see that after their investigative work, after they have tried to bring the system to order, 50,000 cases are thrown out the window. They say: "As a police officer, what incentive is there for me to do my job?"

Does he not feel that this lack of political will on the government's part, because it is a lack of political will to reinforce the judicial system of this country, is in fact weakening the ability of all of our police forces across Canada to properly do their job?

Mr. MacLellan: Madam Speaker, I would like to thank the hon. member for Broadview—Greenwood who is a very thoughtful member of Parliament.

We have talked about this particular question. I know the concern he has, being a Toronto member of Parliament, with the problem of crime. I am glad he asked that question because it is an aspect that I did not cover and I would like to because I have had the opportunity to talk to law enforcement officers.

The Askov case and other cases that police spend a lot of time on are being thrown out. Not everyone agrees with everything they do but our police forces in this country are second to none anywhere in the world.

In other countries caring has gone out of policing. This is not the case in Canada. There have been examples recently of cases where they show concern for the law and concern for the individual. It is absolutely devastating for them to work on a case.

In the case of a hit and run driver who killed a teenager and is now out on the streets, it is the police who have to go to the family and tell them that their child has been killed by a drunken driver. It is the police who get that initial response of disbelief and absolute, complete physical and mental collapse.

It is not a nice job but it is a job they do. They see this and then follow through, they track down who did it and they want justice done. They want in some small way to ease the pain of the people who suffered the loss, to painstakingly build the case and go to court. Then they lose it, not because the Crown prosecutor did not apply the law properly or did not do his or her homework or because of some technicality but because the court decided that the defendant's rights had been infringed because he or she had been kept waiting so long and it should be thrown out.

Can you imagine what that does to the police officer and the commitment of that police officer? That police officer walks out of that court completely dejected. The fact that he or she can then pick himself or herself up to go back and do the job they are doing on the streets of this country not only tells you a lot about our police forces but tells you about the will, determination and commitment of police officers in Canada.

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, rather than deal with specific cases, as some of my colleagues have done in their speeches, I wanted to turn briefly to the process that applies in extradition cases. It appears there is a great deal of confusion on the part of the public and I think on the part of some members of the House about how extradition hearings work.

It is important to examine the proposals the government has put forward with a view to amending this area of the law. Frankly I think they are somewhat unimaginative, although I agree that they will have the effect of streamlining the provisions of the law. We support them in principle for that reason.

The government might have been a little more imaginative had it chosen to give up some of its power. However it apparently decided that was not necessary and it would keep all its existing powers and simply streamline the process to ensure that extradition appeals are dealt with more quickly.

In any extradition case under the current arrangements, the country that wishes to have a person extradited to that country applies before a judge in Canada to determine whether the person should be extradited under the law. The law is in part the extradition treaty that exists between the countries. It must be determined whether the offence is one that is extraditable under the treaty.

The judge makes a decision on that issue. As is the case with almost every judicial decision, that decision is subject to appeal. Either the accused person or the foreign government may appeal to the court of appeal of the province in which the hearing was held. There is a further appeal from that decision of the court of appeal of the province to the Supreme Court of Canada. There are in effect two appeals. The last appeal is by leave. It requires the leave of the Supreme Court to proceed in that court with an appeal.

After the determination is made by the courts as to whether the person should be extradited there is then a further application to the minister by the foreign government for surrender of the accused. The minister must decide whether the accused person should be surrendered, even though he is judged by the courts to be extraditable. That is assuming the decision went that way.

The decision of a minister is subject to judicial review. Therefore appeals to the courts may be launched after the minister has made his or her decision.

This extremely cumbersome procedure might have been shortened somewhat had the minister been willing to give up control of the surrender process and leave that matter to the courts to decide. After all, the surrender procedure has been there for a very long time. I am not familiar with the history of the law in this area but I would guess it is one of those areas of royal prerogative which has hung around for years and years and years under extradition treaties.

• (1050)

Maybe it is time to take a look at that aspect of it, but unfortunately the committee is not going to get that privilege. Not having dealt with the issue, the committee cannot change the principle of the bill. I am sure that the committee chairman will hold that one of the principles of the bill is that the existing procedure be retained. There is no major change in it.

We are not going to get a chance to do away with this largely unnecessary step which would have really shortened the procedure considerably had both surrender and extraditability been determined at once in one hearing. Perhaps it is naive of me to suggest such a thing, but I suspect that there are ways and means whereby safeguards could have been imposed in the law so that the courts could deal with that matter instead of having the minister involved in making a decision on this.

Perhaps there is good reason why the minister should keep that power. I do not know. If so, I am surprised the argument was not raised by the minister in her opening speech. I do not recall a discussion on that particular aspect of the law.

What does the government propose? It states in this bill that there will be the extradition hearing and immediately after that hearing, assuming that the judge decides the accused should be extradited, the minister will receive and deal with an application for surrender. There could be an appeal in the court of appeal of the province from both the judge's hearing and from any argument that might be made with respect of the minister's surrender, assuming the surrender is approved by the minister.

Both would be dealt with at the same hearing in the court of appeal. Both would then be appealed together to the Supreme Court of Canada, if an appeal were allowed by that court, and we would thereby avoid this multiplicity of proceedings leading to extended hearings in both the court of first instance, the Court of Appeal, then the Supreme Court of Canada, back into the Court of Appeal after the minister's determination and then back to the Supreme Court of Canada. I guess it would not have gone directly to the Court of Appeal after the minister, but there would have been three court hearings challenging the minister's decision.

The member for Peterborough can correct me if my procedure is incorrect. He is well familiar with the route. I now recall, and perhaps I am able to answer my question, his solution was to abolish one right of appeal. The Court of Appeal in the provinces was side-stepped. If there had been an adjudication that the accused was to be extradited, then there was an appeal directed to the Supreme Court of Canada, or none at all. That is my recollection but I may be wrong. Perhaps he can correct me in a comment as to what his bill contained that was different from this one.

This should streamline in most cases, but if the minister is as slow in making decisions as has often been the case, I suggest that in fact the appeals will not get heard together. The application for surrender may be sat on for so long that the appeal in a court of appeal may be disposed of before the minister gets around to making a decision. Certainly in some cases there have been delays. I agree in others the decisions have been made extremely quickly. I think the member for Peterborough could cite examples of excessive delay on the part of the minister in coming to a decision. As I say, it might have shortened the proceedings significantly had that particular stage been abolished altogether and had the trial judge and the appellate judges thereafter been left to deal with that issue instead of having the minister involved in the process.

The fact that the government has moved on this after so long is something to be commended, but I wish that it had taken steps to ensure that this would have worked in virtually all cases. I am not certain that has been done. Leaving the two processes of adjudication in the courts and then the surrender issue with the minister leaves the risk that there will be a multiplicity of proceedings at least in some cases. All we need is some major case like the Ng case, which the hon. member for Peterborough has raised so often in this House and some of my colleagues have mentioned in great detail. The new law will be brought into what I suggest would be considerable disrepute. In other words, it will have failed to achieve the objective that is the objective of all members of this House and that is to make this process less cumbersome. All the steps are there.

All the cumbersome steps that were in the law before this bill was introduced are still there and they are not going to be changed by this bill. It is simply that they will be done in a different time sequence. The risks of the claims that were made before are still there, but they will be done together instead of apart which should shorten the proceedings. There is no guarantee that it will do so and there is no guarantee that the two processes will not lead to different results.

I suggest that it is a situation that the government could have avoided had it been a little more imaginative in drafting this particular bill, had it been willing to consider giving up powers that it now has. But we know that this government is extremely reluctant to give up any powers. We see it every day in this House with its unwillingness to bend the rules in a way that allows the opposition additional rights or privileges in the House. We see it in the various bits of legislation it introduces to deregulate various things.

It does not give up its power. It simply gives up certain regulatory rights, but not very many of them. There are very few in fact that are given up. The hon. member for Peterborough knows this as he has been a critic of the government in that regard. He has been critical of its unwillingness to give up control over a host of activities in which Canadians engage. I suggest that he would have probably been pleased had the argument that I advanced been accepted by the government and the government would have been willing to abandon the surrender procedure and allow the courts to adjudicate on that. I suggest that our courts are well equipped to make that decision.

I suggest that if the process is to be expedited as has been suggested by my colleagues, where additional judges are appointed to assist in ensuring that there be fewer delays in the court system, and had the government looked with some imagination at procedural means of changing the process, we might have got even more advances in terms of reduction of time spent on these cases.

There has been a lack of imagination. There has been excessive delay. I regret very much that it has taken so long for the minister to move to bring forward this bill. I realize the government has proclaimed this week to be justice week, law and order week I think it calls it. It does not like to use justice any more. It likes to talk about law and order because that appeals a little more. The government thinks it is a catch word that will appeal to the public.

While some of the initiatives are welcome, after waiting for so many years, it is unfortunate that the government is using the notion that things are in big disarray as the basis for its proceeding. Frankly the sensational cases that make the headlines and make it look as though things are falling apart are not necessarily indicative of the workings of the system because, in many cases, our justice system does work well and does produce results that are entirely in accordance with people's expectations. Needless to say, we do not hear about those. It is like the proceedings in this House. In this House we do not hear about the things that happen that are normal or sensible and that work well. We hear about the unusual occurrences, the sensational occurrences that take a second but generate acres and acres of print in the media and lots of time on television.

This bill, which is one of those more mundane matters, will get very little coverage in terms of the debate in this House, but nevertheless it is important. The changes that are proposed in the law are important and significant. I know that the hon. member for Peterborough in his speech welcomed this bill. I think he welcomes the general thrust of it as we do on this side of the House. We are happy to support it and will continue to do so. I am hoping he is going to make a comment about his own bill.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Madam Speaker, a short comment.

I would like to clarify what I consider to be a misconception about the government's bill. The government's bill has eliminated the two-track system. What happens in the government bill, the one we are dealing with in the House now, is that you have your extradition hearing with certain other features of the former two-track system applied to it, i.e. they go from that hearing to the appeal court in the province. At that appeal court in the province is where the minister puts the comments in dealing with her willingness to extradite the person requested. So there is not a two-track system. It very definitely goes from the extradition hearing to the appeal court of the province with leave to appeal to the Supreme Court of Canada. It does not move over into federal jurisdiction.

• (1100)

The big feature of this bill, which I am sure the hon. member will be glad to hear, is that we have eliminated the two-track system in extradition. We move directly from extradition to the appeal court of the province only. At that appeal court in the province they deal with habeas corpus and any challenges to the charter that are raised. After that decision is made those are the two court appearances. That is it.

The minister has a period of time between the extradition hearing and the appeal hearing in the provincial appeal court to prepare her case and state her intentions.

The third opportunity, not four but three, the third opportunity is given—

Madam Deputy Speaker: I have to interrupt the hon. member and recognize him after Question Period as it is eleven o'clock. We will now proceed with members' statements pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Madam Speaker, through the green plan the government commits Canada to stabilizing emissions of carbon dioxide at 1990 levels by the year 2000. Through the environment committee we urged the government to reduce carbon dioxide emissions by at least 20 per cent by the year 2005 as other nations are doing.

At this week's meeting of the Canadian Council of Ministers of the Environment, the government is apparently preparing to back away from its commitment to stabilize carbon dioxide emissions by the year 2000. If this is true, the government will lose credibility at home and at international negotiations on a global climate conference and convention. Therefore we urge the Minister of the Environment to confirm Canada's modest commitment to stabilization.

When will the government recognize the well-known fact that it is in Canada's economic interest to cut carbon dioxide emissions and thus increase energy efficiency?

* * *

PEOPLE'S FORUM FOR CONSTITUTIONAL CHANGE

Mr. René Soetens (Ontario): Madam Speaker, with the release of the constitution proposals, Canada is presently involved in a debate on our future. Canadians must participate in this discussion and fortunately many want to.

In the riding of Ontario, 11 volunteers representing a good cross-section of interest have formed a committee to help citizens of the riding participate. This group called the People's Forum for Constitutional Change has spoken to many interest groups and service clubs over the past month, distributing the proposals as they travelled.

This week at Trafalgar Castle School in Whitby they held the first public meeting at which seven high schools sent participants. Led by a panel of experienced individuals, a good discussion was held by the numerous participants. Students proved they care.

The People's Forum has scheduled four additional meetings, one each in the communities of Claremont, Pickering, Ajax and Whitby. At each meeting there will also be panelists. The People's Forum will also send a questionnaire with my support to seek the views of all the citizens of the riding. When all these steps are complete, the People's Forum will then present a report which will be submitted to the national committee.

I would like to extend my personal congratulations and thank you to the People's Forum of Ontario riding.

* * *

[*Translation*]

MONTREAL ECONOMY

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, every week people in the Montreal area read in the papers that their economy is sinking further into a slump.

Last Tuesday we heard that 189 employees at Philips Electronics Limited would be laid off. Today the Christie Brown Plant in East Montreal is laying off 200 of its 600 workers. We also heard the STRSM will be laying off 78 of its 600 bus drivers next April. A number of maintenance employees will also be laid off. This morning Murray Hill closed down; another 200 jobs lost.

When will the Conservative government do something to end the economic slump for which it is to blame? When will people in the Montreal area be able to read their papers without being discouraged by the news of further lay-offs in Montreal?

* * *

[*English*]

TOASTMASTERS INTERNATIONAL

Mr. Felix Holtmann (Portage—Interlake): Madam Speaker, Toastmasters International is one dynamic international organization that assists hundreds of thousands, in fact millions of Canadians and people in the United States and around the world, to be better communicators. Toastmasters clubs exist all over North America and in some 50 countries now. Last night in our nation's capital we celebrated a great distinguished toastmaster by the name of Jack Gillespie who has become Toastmasters International's president.

Mr. Gillespie comes from Manitoba. He was a truck driver and has excelled to this very high position of international toastmastership. I am sure this House would want to congratulate him and the wonderful opportunities he has to demonstrate the toastmastership to all Canadians and indeed people around the world.

* * *

TAXATION

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, it has been a little over a week since the unfortunate mace incident in the House.

Two matters did give rise to it and I think it is an appropriate time to raise them for the public record. The first is the substantial issue of seniors taxation. There was a motion before the House from the hon. member for Winnipeg to change the taxation of seniors. Many of them pay quarterly now and they are subject to penalties and interest. They are being hassled. It is very unfair and seniors are very concerned about it.

The Toronto Star just reported that this method of taxation is costing seniors $300 million a year.

I call upon the government to change this procedure. I understand that is happening and I ask the government to report to the House when it has made this decision. I welcome that.

Second, many of us thought that the bell was going to be a 15-minute bell. It was about a four or five-minute bell. The question arises, should party Whips be able to cut short a private member's vote. I call upon the House management committee to look into this and report to the House as soon as possible.

* * *

YMCA OF METROPOLITAN TORONTO

Hon. David MacDonald (Rosedale): Madam Speaker, I think in a day and age when volunteer activity sometimes is diminished or dismissed it is important to recognize organizations that have made an outstanding contribution to public service and voluntary activity.

In my constituency of downtown Toronto, Toronto Rosedale, last week there was the annual meeting of the YMCA of metropolitan Toronto which celebrated 138 years of service to the community.

I would like to note several of the highlights from that outstanding organization. Last year, for instance, 120,000 people participated in YMCA programs all across the greater Toronto area. Programs were delivered in some 366 different locations. There were over 7,000 YMCA volunteers who donated more than 92,000 hours of their time to help serve. Finally, 18,000 people received direct financial support from the association to enable them to benefit from YMCA programs.

Members on all sides will know that for more than a century the YMCA, the YWCA, the YMHA have made an outstanding contribution to all of our communities.

REGIONAL DEVELOPMENT

Mr. Bob Kilger (Stormont—Dundas): Madam Speaker, last week the government announced that further federal assistance will be provided to northern Ontario in addition to the FEDNOR economic development program. The Canada-Quebec subsidiary agreement also provides certain regions of Quebec with federal funds for economic development projects.

I commend the government for these two programs. However, they place eastern Ontario at a disadvantage as the area does not have similar economic development programs to support and attract businesses and industries.

The Minister of State for Small Businesses and Tourism recently stated in this House, in reply to a question by my colleague from Glengarry—Prescott—Russell, that the government "is preparing a program which will address eastern Ontario in particular".

Eastern Ontario is suffering from numerous plant closures, lay-offs and high unemployment. Communities like Cornwall, Hawkesbury and Pembroke are facing tough economic times.

I call upon the government to stop delaying and implement an economic development program for eastern Ontario now.

* * *

THE CONSTITUTION

Hon. Alan Redway (Don Valley East): Madam Speaker, what does English speaking Canada want? The answer can be found in the Spicer commission report.

English speaking Canada wants Quebec to stay but not at any price, recognizes Quebec's distinctiveness in terms of language and culture but not in terms of rights and responsibilities, wants a strong national government, not a weak decentralized one, wants a fast and fair settlement of aboriginal concerns, wants to emphasize what we have in common, not our differences, wants an elected Senate, wants a review of official bilingualism

and multicultural funding, wants MPs to reflect the wishes of their constituents, but most of all wants jobs, jobs, jobs.

* * *

• (1110)

SMALL BUSINESS

Mr. Mike Breaugh (Oshawa): Madam Speaker, having brought small business to its knees in this country, people will be happy to know that the government is sending the Minister of State for Small Businesses and Tourism to the Soviet Union. If your business in Moose Jaw is in trouble, do not worry, because they are going to discuss methods of operation and ways of encouraging further Canadian commercial activity in the Soviet Union.

I am sure they are going to take with them many copies of the Canadian Federation of Independent Business survey of what small business thinks about this government. Members may recall this is the report that said and I quote:

> Members in all parts of the country expressed strong concern that the country is living beyond its means, taxation levels are too high; there is a lack of political leadership; too much government and government is unresponsive.

It is not clear at this moment whether the Minister of National Revenue will attend. Members may recall he dismissed that survey as a scam and the results as hogwash.

Madam Speaker, the good news is they are leaving the country. The bad news is that we are not sure it is a one-way ticket.

* * *

REMEMBRANCE DAY

Mr. Lee Clark (Brandon—Souris): Madam Speaker, on behalf of the residents of Brandon—Souris, I would like to take this opportunity on the eve of Remembrance Day to applaud publicly the contributions which veterans have made in the past to protect the privileges which we today all too often take for granted.

Canadian veterans have made an immense sacrifice in several wars, but especially in World War I and World War II. In fact, Canadian veterans played such an important role in the great war that they were regarded and feared as the shock troops which were brought into the most important battles.

Without the sacrifices of thousands of brave and selfless Canadian men and women, the democratic privileges which we know today could well have been destroyed. It is important, therefore, that we say thanks now and throughout the year for the contribution which others so willingly made on our behalf.

It is also essential that we today ensure that we are willing to continue to defend those values which those who went before us were prepared to fight and, if necessary, to die for. To do less than that would be to fail those who have in reality passed the torch to us and future generations.

* * *

[*Translation*]

INCOME TAX

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, Canadian seniors want to know the government's position on payment of income tax in quartely instalments. These payments put an undue burden on our senior citizens, and the government's statements on this issue have been very disconcerting.

A motion was presented by the Liberal member for Winnipeg—St. James to release senior citizens from their obligation to pay income tax in four quarterly instalments. The motion was supported by many members, and all three parties in the House gave their unanimous consent for referring the motion to the finance committee, for consideration. Unfortunately the Bloc Quebecois used the Standing Orders to deny its consent for referral of motion to the finance committee, after which the motion was immediately put to a vote and defeated by the Conservative majority. The Bloc's refusal was outrageous, especially since its subsequently blamed the Conservatives for defeating the motion. What it boils down to, Madam Speaker, is that unfortunately—

Madam Deputy Speaker: I am sorry to interrupt the hon. member but unfortunately his time has expired.

* * *

[*English*]

THE CONSTITUTION

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, in the past couple of days all Canadians have become alarmed at the apparent derailment of our constitutional committee.

All of us in this House can point fingers and identify weaknesses in the process, but at the end of the day if that process fails, we fail; Canada fails.

Next week, as we all know, Parliament is recessed and it will provide an opportunity for all MPs to be in their individual constituencies and will provide an opportunity for all MPs to conduct forums, round table discussions, town and village hall meetings in our own ridings.

We have been doing this in Carleton—Charlotte and will continue that dialogue next week.

We can put the constitutional hearings back on the rails by listening and consulting in our own backyards. If we can all do this, the process will take care of itself.

* * *

PAKISTAN

Mr. Dan Heap (Trinity—Spadina): Madam Speaker, Amnesty International is concerned by reports that the government of Prime Minister Sharif of Pakistan may recommence public hangings with as many as 40 hangings to proceed next week.

This follows three years of no hangings since former Prime Minister Bhutto commuted 2,000 death sentences in 1988.

These new death sentences issue from the special courts for speedy trials instituted following a change of Constitution of Pakistan in August.

According to Amnesty International, these special courts of speedy trial violate international standards of justice by denying the right to public trial, the right to be presumed innocent until proved guilty and normal rights of appeal.

I call on the Prime Minister of Canada to use his good offices with the Prime Minister of Pakistan to have these public hangings stayed and these death sentences commuted.

* * *

MIDDLE EAST

Mr. David Berger (Saint-Henri—Westmount): Madam Speaker, the word "historic" is frequently used without justification.

Yet there is no other word to describe the Middle East peace conference in Madrid. For the second time in its 43-year history, representatives of the state of Israel looked at their Arab neighbours, not through the sight of a rifle but in the eyes in direct bilateral negotiations.

This is indeed an historic development. The position of the Palestinian delegation was surprising. The Palestinians seem to indicate their willingness to accept a transitional phase and the self-government first proposed in the Camp David agreements of 1978. They presumably now accept that a long-term settlement will require a transitional period to build trust.

The attitude of the Syrians stands in stark contrast to the Palestinians. Syria has shown an unwillingness to talk directly with Israel and is not prepared to consider any confidence building measures.

On a visit to Israel several years ago, I asked a member of the Knesset what Canada could do to help in the peace process. "Encourage the moderates", she said. That advice is as good today as it was then.

Madam Deputy Speaker: I am sorry, the time has expired.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Madam Speaker, my question is for the Minister of Finance.

This government obviously does not have a clue what it is doing economically. It says that the recession is over, and yet today's figures show that unemployment is on the rise.

There are 178,000 more Canadians looking for jobs today than a year ago. In one month alone, the country has lost 16,000 manufacturing jobs. When will the minister acknowledge that the government's high dollar and GST policies are a disaster for Canada? When will he take steps to put almost 1.5 million unemployed Canadians back to work?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think there is some encouraging news in the employment figures that came out today.

There have been 43,000 new jobs created in the last month, and that is a total of 108,000 new jobs over the last two months. In addition to that, the housing statistics would indicate for the month of October that housing starts commenced at an annualized rate of 202,000.

There is a clear indication that housing starts will be up in 1992 by some 20 per cent over 1991.

I think the other encouraging news is the fact that yesterday the Bank of Canada rate dropped by some 31 basis points which brings the Bank of Canada rate down to 7.73 per cent. That is consistent with the policy objectives that we embarked upon, bringing down inflation, consolidating our fiscal difficulties and bringing down interest rates.

Bringing down interest rates is the key to growth in economic activity.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Madam Speaker, now that the government sees that nearly one and a half million Canadians are unemployed, why won't it admit that its monetary and economic policies are a total failure? Why is the minister not prepared to admit that his high dollar policy and the GST are crushing the Canadian economy? Why does he not change those policies?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member knows that the government does not pursue a high interest and a high dollar policy.

What the government is pursuing is an environment to bring interest rates down, bring inflationary pressures down. The inflation on an annualized basis over the last six months has averaged 2.2 per cent. That is bringing prices down. That is creating a more competitive economy.

When we can continue to bring interest rates down and keep them down, that will be the key to economic activity, the creation of jobs and growth right across this country.

Ms. Sheila Copps (Hamilton East): Madam Speaker, last week the minister admitted that his government had been pursuing a high dollar policy when he said outside the House: "We are no longer pursuing a high dollar policy".

• (1120)

I know he was left with the legacy of his predecessor, the million dollar man who, when he was in the ring, knocked down almost a million and a half Canadians.

Will this minister allow these Canadians to be picked up and put back on the job by changing the GST, by abolishing the GST, and by killing once and for all the high dollar policy that cost 16,000 manufacturing jobs this month alone?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member is totally inaccurate when she suggests that this government has pursued a high dollar policy. We are not pursuing an artificially high dollar policy and for her to suggest that we can artificially manipulate downward the value of the dollar is totally and absolutely irresponsible. It would destroy international credibility. It would create market instability, and it would create long-term high interest rates and long-term inflation. Why does she not start acting responsibly?

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, what is totally and absolutely irresponsible is to put your head in the sand when 1.5 million Canadians continue to be unemployed.

Month after month this Minister of Finance has told Canadians that the nation is in recovery and month after month the evidence continues to mount that the nation continues to be in a deep recession. Now 1.5 million are unemployed and unemployment is up again this month. From August until October, unemployment in Canada has increased from 9.8 per cent to 10.3 per cent. That is a negative, troubling trend for any sober, serious and concerned minister of finance.

What is the Minister of Finance going to do to put Canadians back to work? Is he now saying that 1.5 million, a 10 per cent plus level of unemployment, is an acceptable level of losses in the battle against inflation?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, as I indicated earlier, Canadians are going back to work. There were 43,000 full-time jobs created in the month of October and over the last two months 108,000 new jobs were created. I think that is a good record.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Madam Speaker, just last month 20,000 Canadians and their families in the goods producing sector were unemployed. Five thousand more in the agricultural sector are unemployed. Sixteen thousand more families are unemployed in construction. Four thousand more in trade are unemployed. One and a half million families are without work. When will this government begin to put Canadians back to work by recognizing there is a problem with this government's high interest rate and high dollar policy.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, in the last two months, 108,000 full-time jobs were found and that is a positive indicator. The hon. member knows that the unemployment rate fell in the month of September from 10.6 to 10.2 per cent. The fact that the 43,000 additional full-time jobs have been created, totalling 108,000 full-time jobs over the last two months, is an encouraging sign and the hon. member should applaud it rather than criticize it.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my question is for the Minister of Finance.

The minister cites the creation of jobs but has the minister spoken to the 18 per cent of the residents of Prince Edward Island who are unemployed and the 18 per cent unemployed in Newfoundland? Has he spoken to those who are every day seeing their industries shut down, and has he spoken to the farmers who are losing their farms? I say to the minister that he should be speaking to Canadians and not just citing graphs and statistics.

The minister has continually said that we are in a recovery period but ordinary working Canadians and those without a job do not see this recovery. Is the minister simply accepting that 1.5 million unemployed is acceptable? Is that this government's goal, to keep double digit unemployment, or is this government prepared to do something about it?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, it is not acceptable. The government is trying to do something about it. In order to do something about it we had to wring out the inflation and inflationary pressures. We had to bring costs down. We had to bring interest rates down. Interest rates are the key to economic recovery. There has been a substantial decline in interest rates over the last few months. As a matter of fact there was a decrease of 31 basis points yesterday.

We have a prime bank rate that is the lowest in about 14 years. We have inflationary pressures down to the lowest in 20 years. Those are the fundamental components towards the resurgence of the economy. Jobs are being created. We have put together programs to help farmers in their distressful situation because of a trade war. All of these things are being acted upon.

But it is not simply a matter of snapping one's fingers. The fundamentals have to be put in place and that is what we are proceeding with.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, I would say to the minister that it is the fundamentals like the GST, the trade deal and the high dollar that have created this situation. Those are the fundamentals put in place by this government.

[*Translation*]

For instance, we saw this morning in the Quebec newspapers that three more companies were announcing lay-offs: Christie Brown, 200 people; Aerocar Murray Hill, 200 people; Cascades, 250. And there are more every day.

In Quebec, more than 600,000 families are living on welfare. A record!

My question to the minister is this: What is this government going to do now, to give all these people jobs? Not tomorrow, but today!

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, it is a matter of getting an economic environment that is conducive to investment and job creation activity. Bringing interest rates and inflationary pressures down are very fundamental.

The other thing that is very fundamental is putting in place some very important structural changes that will allow Canadians to compete in the global market economy.

Yesterday's *Toronto Star* indicated that with free trade a printing firm in Toronto, taking advantage of free trade and enthusiastically eyeing expansion in Canada and the larger U.S. market, stated that this year would be its best

year in 20 years and the firm is increasing its employment from 22 to 200. That was the *Toronto Star*.

We also know that the president of Chrysler announced the other day that Chrysler is putting on a third shift in its manufacturing of automobiles; Dupont Canada triples its profit; Piper Aircraft chooses Canada; Dupont opens world scale plant; Dow Chemical opens world scale petrochemical plant. All of these things are the product of the free trade deal and of low interest rates and low inflation. They will provide sustainable recovery with price stability. That is our goal.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, the minister fails to cite the fact that over 300,000 Canadians have lost their jobs, that the trade deal is an important part of that job loss and this government and this minister knows it. Do they change their policy? No. They go ahead, they take a bad deal and they want to make it worse by having the deal with Mexico. This government does not change its policies and does not listen to Canadians.

I want to say to the minister, each time these questions are raised about the unemployed, he cites more statistics, more graphs. I look at the faces of those hardworking Canadians who cannot afford to buy anything because of this government's policies. I want to say to the minister again: Will he take the advice of small business and get rid of the GST? Will he listen to Canadians and bring in a fair tax system so Canadians have some money to purchase something?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member takes issue with me quoting statistics and articles. If it is fair ball for her to quote articles to me which she purports to suggest are anti-free trade, I guess it is fair game for me to talk about those articles which appear in the daily press which encourage and support the issue of free trade.

I repeat, 108,000 new jobs have been created in Canada in the last two months. We are coming out of a recession. The recession has been much deeper than we had expected but with interest rates coming down, with inflationary pressures easing, with an investment climate that is positive, we look forward to robust growth in 1992. We are expecting growth to range somewhere in the neighbourhood of 3.2 to 3.5 per cent.

I can only tell the hon. member that unless we get the fundamentals right, unless we are able to compete in a globalized economy, restructure ourselves and adjust so that we can carve out niche markets in an effective way, we are not going to see it turn around. That is the challenge we as government have. That is the challenge that labour has. That is the challenge that business has. That is why we have to work at this in a partnership arrangement and this is precisely what we are doing.

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YUGOSLAVIA

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, my question is for the Deputy Prime Minister. This morning there were very disturbing news reports that the Yugoslav army has set up missile sites aimed at Croatian cities and is threatening, to use their words, "Croatia with massive casualties and ecological disaster".

• (1130)

The European Economic Community, and Canada joining in, has cancelled some trade promotion and trade agreements. Is it not time, in light of this kind of threat of genocide that was issued this morning, that we go far beyond this kind of modest prudent measure and stand up and say we will not tolerate European countries selling oil to the Yugoslavian army, we will not tolerate a blockade that starves people in Dubrovnik and that we insist the United Nations step in and take the kind of action that will tell the Yugoslavian army and the Serbs that we will not tolerate this kind of action against civilians using rockets and missiles to end their lives?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, the situation in Yugoslavia is very serious and very troublesome. We all hope there will be a way of finding some way to negotiate rather than use weapons to deal with this problem.

As the hon. member knows, this morning in Rome the Prime Minister announced a series of measures which Canada will take with respect to trade issues. We will be suspending our general preferential tariff treatment. We will put Yugoslavia on the area control list. We will suspend all trade promotion and trade support measures and we will be working closely with the European community and going to the United Nations where there will be discussions about further sanctions that could be imposed as well.

In addition, because I know of the hon. member's concerns, the Prime Minister announced this morning that an additional $1 million will be made available for humanitarian aid through the Red Cross to assist civilians in Yugoslavia to deal with this terrible situation.

Hon. Lloyd Axworthy (Winnipeg South Centre): Madam Speaker, in response to the minister, I take no issue with the measures that were offered this morning, but they are too little and too late.

The reports that we have this morning is the kind of threat of massive casualties and ecological disasters, in the words of the army itself.

I want to ask the minister: Does she not think that Canada could be taking a much stronger role in mobilizing a major international relief effort, breaking the blockade and saying very clearly to both sides that the fighting must stop and we must end this persecution of innocent civilians for the sake of these objectives? What kind of tough international actions is Canada going to be promoting and issuing this weekend before this kind of disaster takes place?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I am sure that my hon. colleague would agree that in fact Canada has played a leadership role. We were one of the first countries to make the call at the UN for initiatives to be undertaken to deal with this terrible situation.

I know that the Prime Minister and the Secretary of State for External Affairs will continue to be vigorously putting forward our view that there must be an end to the conflict in Yugoslavia. There must be a way of negotiating peace and we will undertake whatever measures that we can to help to ensure that this happens.

CANADIAN NATIONAL RAILWAYS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, my question is for the Minister of Transport.

Canadian National is selling the profitable line between Truro and Sydney in Nova Scotia, yet those who are interested are being told that to get more detailed information they have to sign a secrecy agreement and pay $500. Canadians own this railroad, yet the government is denying pertinent information to the taxpayers.

Why is the government doing this? What is it hiding? Why cannot the people in Atlantic Canada know the details of this sale and the information? Can it be that this whole sale is really more misguided and more of a fiasco than we first thought?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, CN is set up as a Crown agency with autonomy of operation and with a mandate to be as commercially viable as possible. It has decided to call tenders for sale of the Sydney–Truro line. I understand that the bids are now in. It will go through the process. When CN has made its decision, it will forward it to the Minister of Transport and we will have a look at it at that time.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, included in this sale, I might add, are 3,200 acres of land, a lot of it prime real estate. It sounds an awful lot like another Route Canada fiasco.

Why will the government not disclose the pertinent information about this sale to Canadians? Why does the minister not admit that this so–called hands off, arm's length transaction is really just a farce.

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, if the gentleman would like to give to the Minister of Transport the components of the so–called farce, the Minister of Transport will investigate it.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Madam Speaker, my question is for the Minister of Agriculture who announced an $800 million assistance package to Canadian farmers several weeks ago in response to farm rallies calling for $30 an acre.

Has he now decided if all seeded acres will be included in the program? Specifically, will forage crops grown on class I, II, III and IV soils, whose prices have been forced down along with grain prices, be included and when will the pay-out be in the farmers' hands?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, the decision to bring further assistance to the grains and oilseeds industry was not made because of farm rallies. It was made because it was important that the Government of Canada support a very important economic industry in Canada.

I say to my hon. friend the decisions and the recommendations as to how the money would be paid out is being worked through the third line of defence committees which have representatives of producers, farm leadership, and provincial representatives. When they are able to provide me with the advice, I will make a decision on the options or choices they present to me.

I hope to be able to distribute as quickly as possible the amount of money we would have available. As you know, Madam Speaker, when the announcement was made, I make a commitment that the funds would be delivered before spring.

Mr. Vic Althouse (Mackenzie): Madam Speaker, can the minister tell us if the government intends to place further estimates before this House before the pay-out can be made, or will we be waiting for the next budget before the pay-out can be made?

Hon. Bill McKnight (Minister of Agriculture): As the hon. member knows, if there arises a need to place estimates, the government will place those estimates.

He knows the difficulty that all governments, not just the Government of Canada, have at this time in finding additional resources. I hope that there can be a pay-out made in the very near future which will be substantial and which will assist the agriculture community in Canada.

TOUR BOAT INDUSTRY

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, my question is for the Minister of Transport. It has to do with Canada's tour boat industry.

Business in the tour boat industry is down about 30 per cent this year over last year. There are several reasons for that decline in business, but one of the major reasons is overregulation of the industry by the federal government.

Can the minister give me a commitment that he will conduct an inquiry into all aspects of government regulation in the tour boat industry to see if, without compromising safety, there are any regulations that can be eliminated or adjusted which would have the effect of lowering costs for our tour boat industry in Canada?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I would certainly appreciate it if the member would provide me with the source of his statistics. I met recently with a number of people in the tour boat industry. They are all telling me that 1991 has been a booming year for the cruise ship industry.

If the gentleman has any indication as to what precise regulation is hindering that industry, we would certainly be interested in looking into it.

Mr. Jim Jordan (Leeds—Grenville): Madam Speaker, my statistics come from the tour boat industry itself. The tour boat industry is a multi-million dollar industry in this country and it is in a state of decline right now. It employs hundreds of seasonal workers, most of whom are students.

If the minister is not interested in meeting with these people, as I suggested, and examining the regulations that are imposed on them, will he reconsider and either meet with those representatives or get in touch with them and tell them why he will not meet with them, and tell them that the present regulations must remain in place even if it means the decline of that very important industry that is hurting?

• (1140)

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, obviously the member was not listening to what I just said.

I said that we are prepared to examine any reduction in regulations that could help the industry provided—and this is what we said all along—that we will not jeopardize the safety of the travelling public.

* * *

[*Translation*]

IMMIGRATION

Ms. Sheila Finestone (Mount Royal): Madam Speaker, my question is directed to the Minister of Employment and Immigration and concerns a young Romanian couple, Mr and Mrs. Bursucianu. The minister is familiar with their case. Mrs. Bursucianu, her parents' only daughter, is more than eight months pregnant and the department wants to deport her before the birth of her child, due in early December. Her physicians at the Royal Victoria Hospital all agree that to deport her at this time would have a major impact on her health and that she cannot travel in her condition. However, all the department has to offer is a promise to send this young woman, who is in the last stages of pregnancy, a nice comfortable RCMP vehicle to drop her off at the U.S. border. I think that is gross.

My question is this: Is the minister prepared to make a humanitarian gesture and, as requested by her physicians, allow this young woman to give birth in December and make a safe recovery?

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, as the hon. member is no doubt aware from our discussions, each case is examined on its own merits. The hon. member is also aware that the Privacy Act prohibits us from discussing details of specific cases in the House. However, I have been informed that, in the circumstances, the deportation order will be stayed for the time being.

[*English*]

Mr. Tom Wappel (Scarborough West): Madam Speaker, my question is for the minister of immigration and it concerns his annual report to Parliament.

The minister has considerably tightened up the family class by restricting the definition of dependency. My question is a simple one: Why the attack on the family class? Is the family no longer important to this minister and this government?

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Madam Speaker, hon. members are well aware of this government's concern for families. The immigration levels announced by my colleague, the Minister of Employment and Immigration, reflect that concern. The family class has been maintained. We are not withdrawing from our pro-family immigration policy. According to the immigration plan tabled for 1992, we will raise the level to 100,000 families. For the sake of comparison, in 1984, before we came to power, it was 84,000.

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[*English*]

HOUSING

Hon. Alan Redway (Don Valley East): Madam Speaker, I have a question for the Minister of Finance.

Despite what the minister has told the House this morning, he is well aware of the fact that housing starts in Canada this year are at a seven-year low. In fact they are 100,000 less than some four years ago. Interest rates are falling, but we still have double digit unemployment.

Will the minister finally agree to introduce a 5 per cent down payment for first time home buyers in order to stimulate demand, in order to create jobs without increasing the deficit and without increasing the national debt?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, in fairness to the hon. member I think he would recognize that with the decline in interest rates, the projections by CMHC would indicate that there will be an increase of at least 20 per cent in housing starts in 1992.

Obviously the lower interest rates in terms of the prime bank rate, which is now at its lowest level in 13 or 14 years, will provide an incentive for additional home building.

With respect to the member's proposal, the 95 per cent mortgage provided by CMHC, it is a matter that we are looking at very closely. There are some issues that have to be addressed in terms of what sort of restrictions and parameters one may want to contemplate in building around it. I know the hon. member has been a strong supporter of this particular provision and I can assure him that we are actively considering it.

CANADIAN WHEAT BOARD

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, my question is for the Minister of Agriculture.

Recently the Canadian Wheat Board in what it calls an experiment announced that it will be shipping some 55,000 bushels of barley through the port of Seattle. This is the first time that the Canadian Wheat Board has ever loaded grain through an American port.

Will the minister advise the Canadian Wheat Board that sales through American ports create uncertainty in the growth, investment and development of our port facilities and threatens thousands of jobs? Will he tell the Canadian Wheat Board and assure the Canadian public that there will be no more sales of this kind?

Hon. Bill McKnight (Minister of Agriculture): Quite to the contrary, Madam Speaker. I would say to the Canadian Wheat Board that it has accepted its responsibility to get the most efficient return for producers and to sell every bushel of grain it can on behalf of farmers in Canada.

The strikes that took place in the two ports east and west harmed Canada's integrity internationally in our ability to supply. The wheat board has made a decision to increase the sales opportunities to producers, and I encourage it to do everything that it can to increase those sales opportunities. The wheat board's responsibility is to the producers.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Madam Speaker, Sask Wheat Pool right now has a 34,000-tonne capacity that is empty. The Alberta Wheat Pool has over 32,000 tonnes that are empty and could easily handle this sale. UGG does not have a ship in port at this time. This grain sale will not be following the WGTA subsidy and this sale was done without consultation with the industry.

It is incumbent upon this government to take a stand in order to show that we have a viable and a valuable transportation system in this country, or is the minister hoping that we will next see unit trains hauling grain down to the Mississippi?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, I know that the New Democratic Party is quite touchy about the strikes that took place in Canada's two very important ports. It cost farmers in Canada over $40 million every week that the port or Vancouver was shut down.

What the Canadian Wheat Board has done is accept its responsibility to deliver as much grain on behalf of the producers, make as many sales on behalf of the producers as it can.

The hon. member talks about lack of support. I would say to the hon. member, if lack of support is indicated, that Mr. Allen from United Grain Growers says: "Although we have terminals in both Thunder Bay and west coast, we have a responsibility to our producers, not our terminals". The UGG supports the move and I am sure every producer in Canada supports the move.

* * *

FISHERIES

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, in the absence of the Minister of Fisheries and Oceans, I direct my question to the Deputy Prime Minister.

A few weeks ago the Minister of Fisheries and Oceans announced a $40 million aid package for the Atlantic fishery. Each province was included except Prince Edward Island.

Will the minister accept his responsibility and provide the much needed aid to the groundfishermen of Prince Edward Island?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, in considering the need for an Atlantic fisheries aid program, the department of fisheries and the minister have taken into account the relative income needs and the degree of catch failure in the various provinces.

I am sure when the hon. minister is able to return to the House he can assure the hon. member that the needs of the fishermen of Prince Edward Island will be adequately addressed in any way necessary.

Mr. Lawrence MacAulay (Cardigan): Madam Speaker, I can inform the hon. minister that there is a catch failure in the groundfishery in Prince Edward Island also.

The province of Prince Edward Island has received less than $150,000 of the $584 million aid program announced in 1990 despite the problems in the Island fishery.

Will the minister realize that Prince Edward Island is part of Canada and deserves fisheries aid?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I am sure the hon. member would agree that this government has taken many initiatives which recognize the importance of Prince Edward Island and Islanders not only with respect to the fishery but with respect to many other areas of economic need in that province. We will continue to do so.

• (1150)

When the minister of fisheries has a chance to address the question of the hon. member, I am sure he will satisfactorily convince him that the fishermen of Prince Edward Island and processors alike are being amply treated as they always have been under this government.

* * *

SUPPLY MANAGEMENT

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my question is for the Minister of Agriculture.

For years Canada has taken a hard line in international negotiations with respect to protecting Canada's supply management system, but now we cannot be too sure.

Can the minister explain what he meant when he said recently: "People are going to have to put a little water in their wine"? Is this a way of saying that it is all over for supply management?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, I am pleased the hon. member has given me an opportunity to answer his question. I was talking—and I can read the quote to him—about the export subsidies that are distorting the international grain trade. I can hand the hon. member a copy of the transcript.

I said that in order to come to an agreement I believe people in this negotiation on export subsidies which distort trade internationally would have to do what negotiations point them to doing in this area, and that is put a little water in the wine.

Yesterday I met with my provincial colleagues. Our support in the supply management field has not wavered. Every province was represented. We will continue to press our point at the GATT as we have for the last two years. Supply management has worked for Canadian producers and Canadian consumers. This government and the rest of the governments in Canada continue to support it.

Mr. Lyle Vanclief (Prince Edward—Hastings): Madam Speaker, my supplementary question is for the same minister.

I like what I hear him saying, but I ask the minister how come he also said recently that he hopes that we can find a way to protect the supply management system. We have a way now. We want to save the system we have got, not find another one.

We know that the government publicly defends supply management boards but officials are saying off the record—and it is in the press today—that we are not likely going to be able to save them because we are basically the only country that wants to do that. We are the only country that wants them strengthened and clarified.

If that is a possibility—and I do not think the minister can deny that it is a possibility—are officials working on a fall-back position? If not, why not? If they are, what is it?

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, the Liberal Party may be working on a fall-back position on supply management. This government and the other governments and the producers in Canada are working to maintain and strengthen article XI so we can protect the supply management system which this government and producers support.

* * *

CROATIA

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, my question is for the Secretary of State for External Affairs and concerns the situation in Croatia.

As we know it is deteriorating. The Serbia controlled army is committing war crimes against the people of Croatia. Yugoslavia as such does not exist any more and this is confirmed by a statement of Mr. Mesic, the last president of Yugoslavia.

When is Canada going to see reality and recognize the democratically elected Government of Croatia?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, on behalf of the Secretary of State for External Affairs I could say, as I mentioned earlier, that we along with our allies in the European community have undertaken a series of measures which we hope will bring all parties to their senses, end the conflict and get back to serious negotiation at the table in order to bring about peace in that area.

As I mentioned this morning, the Prime Minister has already announced a series of measures, of sanctions dealing with trade issues consistent with what the European community has done. That along with the humanitarian aid which has been additionally announced this morning we hope will increase the pressure and bring all parties to the table to negotiate a peaceful settlement of the disputes.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, my supplementary question is as follows.

Does the government not think that if we had recognized the Government of Croatia when it was first elected and wanted to co-operate as a unit in Yugoslavia, we would not have had this deteriorating situation. There was a signal given to the Serbians: let them fight and let them take over Croatia.

I think it is still very important for us to do the proper thing and recognize the Government of Croatia.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, Canada along with members of the European community, the CSCE and NATO all believe that recognition for those who wish it obviously should be given, but it should be done within a framework of negotiated settlements.

Obviously that is what we have been pushing for. There has to be negotiation at which the rights of all parties, the minorities and everyone who is involved in the situation, can be protected and human rights will be able to prevail as well. That is the process we are committed to and every effort that we along with the other countries around the world can undertake to bring that about, I can assure my hon. colleague, will be supported by the Prime Minister and this government.

* * *

UKRAINE

Mr. Ross Harvey (Edmonton East): Madam Speaker, I have a question for the Secretary of State for External Affairs.

It is my understanding that External Affairs has received a request from the Government of Ukraine asking that Canada send three observers to monitor the referendum and elections to be held there December 1.

Will the government agree to this request? Will it arrange to send the three requested observers to Ukraine?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, again on behalf of my colleague the Secretary of State for External Affairs, yes, the member is correct. I understand that such a request has indeed been made. The Secretary of State for External Affairs is obviously giving this very serious consideration. I am sure upon her return from the NATO summit next week she will be able to address and finalize this matter.

Mr. Ross Harvey (Edmonton East): Madam Speaker, I will take that as a provisional yes and would ask, then, whether or not the government would consider requesting of the Government of Ukraine that the Canadian observer team be augmented by one, to allow a technical adviser from Elections Canada to accompany them.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I will be pleased to take the member's representation and make it known to the Secretary of State for External Affairs. I am sure that she will get back to the member accordingly.

EXTRADITION

Mrs. Beryl Gaffney (Nepean): Madam Speaker, my question is for the Acting Secretary of State for External Affairs.

In December 1989 two Canadians, Christine Lamont and David Spencer, were arrested in Brazil. They were in a house where it was believed a Brazilian businessman was being held hostage. Despite pleas of innocence and doubts about the fairness of the trial and the justice process, they are still in Brazilian jails.

Given that the parents of Christine and David have made every effort to have them returned to Canada, I ask the minister why this government has not commenced the extradition process to have Christine and David returned to this country.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I know there has been some columns in the newspapers about this particular situation, but as I understand it there was not a transfer of offenders agreement between Canada and Brazil. The department has been endeavouring to negotiate such a treaty with the Brazilian government but there is not one at this time.

I also understand that the Secretary of State for External Affairs has reviewed this case and at this point does not believe that there has been a denial of justice or that there are grounds upon which she could initiate an approach to the Brazilian government. However, I am sure that if there is additional information that can be brought forward she would be prepared to look at that.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, this is a heartbreaking situation for two young Canadians whose only crime has been a lifetime commitment to helping those less fortunate than themselves.

Given the belief that there has been a possible misuse of justice by Brazilian authorities, on humanitarian grounds and the possibility of human rights violations I again ask this government to give every consideration on behalf of Christine Lamont and David Spencer.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Madam Speaker, I am sure that the member's concerns will be taken into consideration by the Secretary of State for External Affairs, but I would like to caution the member that as I understand the situation at this time there is not clear evidence of a denial of justice and that obviously in these situations one has to be very careful. However, the member's representations will be made known to the appropriate minister.

* * *

• (1200)

RAILWAYS

Mr. Arnold Malone (Crowfoot): Madam Speaker, my question is really supplementary to the ones asked by the member for Cape Breton—The Sydneys. Twice now in this House he has expressed some concern about a railway in his riding going from government ownership to private ownership.

I am wondering if the Minister of Transport would explain where the same concern had taken place in Alberta with Central Western Railway and how once it went private the service increased and improved. Would he also share the concerns about when VIA Rail left Calgary for Vancouver and what happened to that railway once it went private so that the member for Cape Breton—The Sydneys does not need to believe that privatization is always bad?

Hon. Jean Corbeil (Minister of Transport): Madam Speaker, I thank the hon. member for giving me the opportunity to express that when VIA sold part of its Rocky Mountaineer route it became a much more prosperous enterprise since it became privatized.

This is an indication that it is not to be feared if CN is offering that particular line, the Sydney–Truro, to potential bidders. It will examine the bids and will determine whether or not it is in the best interest of the region to proceed with the privatization of that line.

* * *

FOSSIL FUELS

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, my question is for the acting minister of energy.

Canadian Press revealed recently that this year the federal government would subsidize the petroleum industry by about $547 million. Of course as an Albertan I

am all for that. However that is 16 times more than the $35 million it will spend in partnerships with others to develop alternative energy sources such as wind, solar and biomass and to promote conservation.

The green plan boondoggle says that Canada is committed to stabilizing greenhouse gas emissions brought on by fossil fuel consumption by the year 2000.

Given that, how can the government or the minister of energy tilt the scales so much against renewable energy and conservation?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I think the hon. member is well aware that the Government of Canada is committed to maintaining a level of research with respect to renewable and alternative energies in substitution for our primary energy resources.

The hon. member knows full well, particularly as an Albertan, of the importance of the fossil fuel producing industries to this country and to our national security. He understands that there are no simple alternatives and quick fixes to our dependency on fossil fuels. Notwithstanding their environmental side effects, this industry must be maintained and supported not only for the benefit of Albertans but of all Canadians.

ROUTINE PROCEEDINGS

[*Translation*]

ORDER IN COUNCIL

TABLING AND REFERENCE OF APPOINTMENTS

Hon. Marcel Danis (Minister of Labour): Madam Speaker, today I wish to table, in both official languages, the Order in Council appointments made recently by the government. Pursuant to Standing Order 110(1), the same shall be deemed to have been referred to the standing committees indicated in the appendix.

[*English*]

FINANCE

THIRD REPORT OF STANDING COMMITTEE

Mr. René Soetens (Ontario): Madam Speaker, it is my pleasure to present the third report of the Standing Committee on Finance in accordance with its order of reference of Wednesday, October 2.

The committee has considered Bill C–28, an act respecting insurance companies and fraternal benefit societies, and has agreed to report it with accompanying amendments.

I just add on a personal note that this is the final report on a number of financial bills that were referred to us earlier this year. I can say as a member of the Standing Committee on Finance that it was a pleasure to work with all members of the committee from all parties to prove that we can in fact bring forward amendments to legislation in a very co–operative fashion. This is the final report of that effort.

[*Editor's Note: See today's Votes and Proceedings.*]

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PARLIAMENT OF CANADA ACT

MEASURE TO AMEND

Mr. John Manley (Ottawa South) moved for leave to introduce Bill C–322, an act to amend the Parliament of Canada Act and the Canada Elections Act (change of political affiliation).

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Manley: Madam Speaker, this bill proposes to require members of Parliament who have chosen to change their party affiliation after their election during a Parliament to return to their electors by means of a by–election to have their decision to change party affiliation approved or not approved.

It recognizes the fact that many voters in Canada choose their member of Parliament in large part based on party affiliation and simply asks that those voters have a right to pass judgment on the decision taken by their member of Parliament.

Madam Deputy Speaker: Mr. Manley moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

[*Translation*]

PETITIONS

ARTICLE XI OF GATT

Mr. Peter Milliken (Kingston and the Islands): Madam Speaker, I have the honour to present a petition signed by a number of residents of small towns, including Elginburg, Wolfe Island, Joyceville, Gananoque, Napanee, Harrowsmith and Sydenham, all in Ontario.

[*English*]

These electors are very concerned that the Government of Canada may be negotiating away article XI of the GATT. They are concerned that the destruction of Canada's supply management system will destroy the dairy industry in Canada. They call upon Parliament to instruct the government to hold our Canadian system up as an example to the rest of the world and protect it entirely at all costs and to have article XI clarified and strengthened at the upcoming round of GATT negotiations.

I know that the Minister of Supply and Services, who has some farmers in his riding, will do his very best to make sure this happens and stop sitting in the House abusing people who are trying to protect the system he and his government seem to be destroying.

CROATIA

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I have a petition signed by 7,500 Canadians from across this land asking the Canadian government to recognize the independence of Croatia and its duly elected government.

By not recognizing Croatia the Canadian government and the international community are indirectly condoning the war crimes committed by the junta in Belgrade.

I join with pride those petitioners in supporting their petition.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is my pleasure to present a petition on behalf of a number of people from western Canada, Alberta and British Columbia. They are concerned about what appears to be, at least from their perspective, an increasing amount of lawlessness in the country, an increase in breaking and entering and violent crimes. They are asking the federal government to ensure that the RCMP has proper funding to enable it to carry out its mandate.

WATER DIVERSION

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I have another petition primarily from communities throughout British Columbia. The petitioners are concerned about a plan that has been announced to divert a particular tributary of the Fraser River in an effort to move Canadian fresh water to San Diego, California.

They are simply asking that the Canadian government state that this particular proposal will not be tolerated.

CROATIA

Mr. David Kilgour (Edmonton Southeast): Madam Speaker, it is my honour and pleasure to present a petition signed by 1,786 residents, primarily from the Toronto area, with respect to the situation in Croatia.

The gist of the petition is that Croatia instituted a democratic government in a multi-party election in April 1990.

• (1210)

Ninety-four per cent of the population of Croatia voted for independence. Croatians, like all other peoples, are entitled to freedom, democracy and the right to self-determination.

The petitioners therefore call on us to take the initiative in officially recognizing Croatia as an independent and sovereign democratic nation. It is a pleasure to join with them in presenting this petition.

GOODS AND SERVICES TAX

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, it is my pleasure to present three petitions in the House today.

The first petition is signed by both women and men with respect to the goods and services tax on feminine sanitary products. They see these products as necessary. As a result they see the goods and services tax applied on these particular products as totally discriminatory.

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, the second petition is with respect to education and various massive cuts.

The petitioners deplore the fact that the government talks about productivity, competitiveness and a learning culture when in fact it has been incessantly cutting the educational portfolio and its financial supports.

NATIONAL UNITY

Mr. Ronald J. Duhamel (St. Boniface): Madam Speaker, my third petition is a petition concerning national unity.

The men and women who have signed this petition have asked the leaders of the three major political parties to ensure that this dialogue, this reaching out, ensures that Canada stays together.

CROATIA

Mrs. Sheila Finestone (Mount Royal): Madam Speaker, I join in raising my voice with those who have read petitions with respect to the very serious situation in Croatia. There is devastation to mind, property and health of the people of that country. Men, women and children are entitled to live decently and with respect.

I table this petition asking for serious action to take place to prevent the devastation going on in Croatia. I encourage the government to participate in encouraging that action.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, the following questions will be answered today: Nos. 74, 112, 131 and 153.

[*Text*]

Question No. 74—**Mr. Thompson:**

With respect to the rental of a box at the Toronto SkyDome by Canada Post Corporation (a) what are the terms and conditions of the lease (b) who has access to this facility (c) who authorized the rental?

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Like many other Canadian corporations operating in a competitive business environment, Canada Post rents box seating for the sole purpose of conducting business with its customers. These rentals and the hosting of customers are normal business functions to help the corporation improve volumes and revenues, acquire new customers and retain existing ones.

Usage of these boxes is strictly monitored by senior management at CPC to ensure this policy is not abused. No public funds are involved.

Question No. 112—**Mr. Assad:**

What is the total amount of (a) contributions paid to federal political parties since the federal election of 1988 (b) tax credits refunded as contributions to federal political parties for the years (i) 1988 (ii) 1989 (iii) 1990?

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): I am informed by Elections Canada and Revenue Canada as follows:

Part a):

CONTRIBUTIONS RECEIVED BY FEDERAL POLITICAL PARTIES FOR THE YEARS 1988 TO 1990

Total Contributions

	1990 $	1989 $	1988 $
Progressive Conservative Party of Canada	11,046,654	13,801,368	24,542,036
Liberal Party of Canada	12,038,486	6,324,012	13,211,364
New Democratic Party *	15,438,908	13,864,694	17,754,770
Social Credit Party of Canada	22,854	1,735	23,754
Communist Party of Canada	330,451	328,686	394,616
Libertarian Party of Canada	57,152	58,195	136,386
Rhinoceros Party	400	600	1,826
The Green Party of Canada	52,928	35,295	42,467

Confederation of Regions Western Party	159,841	129,109	72,791
Party for the Commonwealth of Canada	46,716	103,141	70,141
Christian Heritage Party of Canada	497,956	861,747	**
Reform Party of Canada	2,213,762	1,350,918	**

* Includes contributions of the party at the national, provincial and territorial levels.

** Not required to submit a fiscal period return for 1988 as they only became a registered political party in October 1988.

Part b):

Taxation Year	Individuals	Corporations	Total
1988	8,874,000	1,326,000	10,200,000
1989	17,515,000	1,334,000	18,849,000
1990	Data are not yet available for the 1990 taxation year		

Notes: These amounts represent the total amount of federal political contribution tax credits allowed to individuals and corporations based on tax returns filed for the respective taxation years.

A tax return filer may use a federal political contribution tax credit only to the extent that it reduces the federal tax to zero. Any amount of the credit that cannot be used in this way is not available for refund.

Question No. 131—**Mr. Young (Acadie—Bathurst):**

With respect to the government's 1991-92 restraint measures for pay, will the restraint also apply to Crown corporations and, if not, why not?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): The government's wage restraint measures apply directly to those Crown corporations listed in schedule II of the *Public Sector Compensation Act*.

All Governor in Council appointees in Crown corporations outside the purview of the *Public Sector Compensation Act* will also see their salaries frozen in 1991-92, and these executives will not receive performance pay in respect of their performance for this period. Following the February budget, all Crown corporations were asked to follow the spirit of the government's policy on wage restraint when concluding their collective agreements. As most of the activities of these corporations are commercial and competitive in nature, they manage their own negotiations with their own work force. Wage settlements for those corporations not directly subject to the *Public Sector Compensation Act* will be closely monitored.

Question No. 153—**Mr. Schneider:**

For the period October 4, 1991 to November 4, 1991, what has been (a) total cost (b) cost per question (c) cost for this question, to the government for answering Order Paper Questions?

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): (a) & (b) Questions answered during the period of October 7, 1991 to November 4, 1991:

Question No.	Approximate Cost	Question No.	Approximate Cost
3	$100	6	$122
40	680	57	188
75	502	89	414
92	535	105	130
106	180	108	129
114	90	115	248
116	68	118	435
120	89	135	40

TOTAL COST: $3,950.

(c) $25

[*English*]

Madam Deputy Speaker: The questions as enumerated by the parliamentary secretary have been answered.

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

Madam Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

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BUSINESS OF THE HOUSE

Mr. Dingwall: Madam Speaker, on a point of order, I am wondering if I might pose a question to the parliamentary secretary to the government House leader.

As he is well aware we previously have had some discussions among House leaders. Agenda items were laid out and thereafter agreed to.

Yesterday we were informed of some changes to that plan, particularly relating to November 18 and November 19 when the House will be returning.

I am wondering if the parliamentary secretary to the government House leader has other changes that have manifested themselves in the last 24 hours and whether he would like to share them with us.

In particular, I refer to the intervention made in Question Period and a point of order yesterday concerning the House debating the situation in Yugoslavia. Could he perhaps bring us up to date on whether the government has had a change of heart about highlighting that particular issue for our immediate return?

Mr. Cooper: Madam Speaker, as the hon. member knows we had intended to complete Bill C-31 today.

We had also hoped that before we rise later this day we would complete third reading on Bill C-12. We are anxious to do that. We will be doing everything we can on this side to expedite the passage of those bills through the particular stages they are at now.

As for when we return, our plans are to continue with what we had indicated previously to the House leaders. According to my memory it seems to me it was the Canada Pension Plan, Bill C-38. The financial institutional package would be on the table. As the hon. member knows, yesterday our House leader confirmed to him that we were willing to look into the matter of a special debate, as raised by his colleague from Winnipeg.

We are looking into that. I do not yet have an answer. However I can indicate that, as the House leader on this side has said before, as House business is progressing well and we are able to free up House time, we are more than happy to co-operate in any way we can to make these kinds of debates available to members of this House.

Mr. Riis: Madam Speaker, I rise on the same issue raised by my friend, the opposition House leader. If the government is determined to proceed with the agenda as proposed there might be some consideration to come to an understanding now that on the first date we return, November 18, we designate an evening sitting to address the important issue that my hon. friend raises.

Mr. Cooper: Madam Speaker, I understand the representation of the House leader of the New Democratic Party and I would not want to rule it out definitely. However I do want to indicate to him that I have just been passed a note indicating that the Secretary of State for External Affairs arrives back in Canada on November 19. We would like, if at all possible, to ensure that she is here for such an important debate.

Mr. Dingwall: Madam Speaker, the parliamentary secretary to the government House leader knows very well that there has been a great deal of co-operation given by the opposition parties with regard to legislation introduced into the House.

I accept his undertaking, as I did the government House leader's, that the government will attempt in the first week we are back to make the necessary arrangements with the Secretary of State for External Affairs to have a debate on Yugoslavia.

I would hope that the parliamentary secretary could perhaps in the middle of the coming week—I know it is a recess for the House and most members return to their constituencies—give some greater thought and do more to try to specify a date and time for this particular debate.

I do not think the hon. member intended to say that it will depend upon what legislation the government gets through. The government has been very fortunate in having the co-operation we have given. A prime example is the co-operation we gave to the government with regard to Bill C-17, which was passed in due course. Hon. members had an opportunity to participate and vote in accordance with his or her conscience, whatever that may be, with regard to Bill C-17.

I hope the hon. member is not holding other legislation over our heads and is saying: "If you do not pass this you cannot debate the subject matter of Yugoslavia".

I hope he can give me that undertaking, as I think he implied it in his initial representation.

Mr. Cooper: Madam Speaker, as the House leader of the Liberal Party well knows I would be happy to give him dates and times. What we have to do is co-ordinate a number of ministers' schedules. We have to do some planning according to the progress we make on legislation. Perhaps he can help me in facilitating my ability to respond to him as soon as possible and give him a fixed date and time regarding this debate.

Can he advise me whether we can expect to complete business on Bill C-31 and Bill C-12 today or am I going to have to try to make up that time at a future date?

Madam Deputy Speaker: I am quite ready to recognize the hon. Liberal House leader but this is getting to be negotiation in the House of Commons. Maybe the hon. House leaders and the parliamentary secretary would consider negotiating behind the curtains and maybe returning to the House after.

Mr. Dingwall: Madam Speaker, we will certainly want to follow your suggestion. A lot of charges have been made outside the House and indeed inside the House that there is very little co-operation between the various parties, opposition parties in particular, and the government in terms of the legislative agenda of the government.

It is important for all members, and for the Chair, to recognize and understand that there is a lot of co-operation given by this side to the side opposite in terms of its legislative agenda.

As for the specific question raised by my colleague, he knows full well that we discussed this at a House leaders' meeting only to find that the agenda was changed unilaterally by members opposite with regard to the legislation they were going to pursue for the remainder of the week.

We have a number of speakers who wish to participate in the debate which has been called by the hon. member. We hope to be able to accommodate his objective as best we can.

Whether that can be realized today or whether that will be realized at another time I am not in a position to say at this time.

GOVERNMENT ORDERS

• (1220)

[*English*]

EXTRADITION ACT

MEASURE TO AMEND

The House resumed consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-31, an act to amend the Extradition Act, be read a second time and referred to the Standing Committee on Justice and Solicitor General.

Madam Deputy Speaker: When we interrupted debate, the hon. member for Peterborough had the floor on questions and comments.

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Madam Speaker, I believe I had responded to the one comment made by my colleague on the other side.

The other comment from three speakers was that they really wanted to know whether this bill was slower or faster or whether I was satisfied with the government bill versus my private member's bill. The government bill is a much better bill. It includes more exclusions from the chain of appeals under extradition than even my bill did.

To be more specific, my bill versus the minister's bill put it in both tracks. It moved it over to the appeal in the Federal Court on the minister's signature or on the Charter of Rights and Freedoms and then to the superior court of the land, the Supreme Court of Canada.

In the minister's bill that moves it very rapidly from the extradition hearing to the appeal in the province. That appeal in the province then reviews the minister's signature. So the minister has a certain time frame within this legislation to sign the warrant for extradition. Then that appeal deals with it.

There is only the one appeal guaranteed on extradition under the minister's bill. There were literally two appeals, one in the Federal Court and one in the provincial court with my bill that I had introduced as Bill C-210. I am very pleased with the minister's bill.

That answers as best I can the two questions or concerns the member had. If the member wishes to make further comment I welcome that.

Mr. Milliken: Madam Speaker, I think my hon. friend should have listened more carefully to my speech and read the minister's statement. I hope he is right but I do not think he is. The minister has streamlined the procedure in the bill by intending to put the two together. Her own notes were provided by her department and on page 4 it says:

> In some circumstances, however, an extradition case could appear twice before the Court of Appeal. This could happen, for example, if there was no committal order issued at the extradition hearing and this was appealed successfully by the foreign state. It could also be the case if there was a committal order and the Minister of Justice postponed making a decision on the surrender order until after the Court of Appeal made a decision on an appeal of that committal order, or if the Court of Appeal felt it was appropriate to deal separately with the appeal and review.

The procedure is there. The thrust of my remarks was that the minister should abandon her powers of surrender to the court so that all the determinations would be made at once by a judge instead of by a judge and then by the minister. It would avoid this multiplicity of appeals altogether. The minister's scheme should eliminate the bulk of them.

I am glad the hon. member for Cape Breton—East Richmond is in agreement. I know the parliamentary secretary to the government House leader is in full agreement.

As I said in my speech, the minister has retained this power and there could be the two lines of appeal which follow. I think it is clear from the minister's own statements that is so.

I know the member suggested in his comments that everything was fused into one. I suggest that does not appear to be the case. I hope the committee could consider a possible change but I suspect it will be beyond their scope, given that this bill in its present form will receive second reading I presume later this day.

I appreciate the hon. member's comment and his elucidation of the principles of the bill and I am glad that the Minister of Supply and Services is so interested in the subject. I hope that he is going to make a speech instead of mumbling from his seat.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Justice and the Solicitor General.

* * *

YOUNG OFFENDERS ACT

MEASURE TO AMEND

Hon. Paul Dick (for the Minister of Justice) moved that Bill C-12, an act to amend the Young Offenders Act and the Criminal Code, be read the third time and passed.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I know all my colleagues are pleased that we have entered the third reading debate on Bill C-12, amendments to the Young Offenders Act.

The overriding goal of the Young Offenders Act is that as many youths as possible become fully participating and contributing members of our communities as adults in accordance with the values of our society. To attain this goal, the government remains committed to the philosophy of the act that was unanimously endorsed by this House in 1982, that is that young people are responsible for their illegal behaviour and should be held accountable in a manner appropriate to their age and maturity.

Over the past few years, the federal Department of Justice has consulted on issues regarding the Young Offenders Act as seen by a wide range of persons involved with young offenders, including representatives of provincial governments and territories, corrections officials, mental health professionals, members of non-governmental organizations concerned with juvenile justice, researchers, academics, the judiciary Crown counsel, police, defence lawyers and, of course, members of Parliament.

As well, the testimony of witnesses to the legislative committee that examined Bill C-12, the former Bill C-58, has proven beneficial and I think has resulted in a number of improvements to the bill. I thank my colleagues who served on that committee for their hard work.

I would like to spend a couple of minutes addressing the objectives of the Young Offenders Act in the specific context of youth charged with serious offences because it is youth charged with serious offences that I, and I am sure most members of Parliament, have had the most questions.

The provisions of the current act which have come under severest attack have been those governing the transfer to adult court of young persons charged with murder. A number of cases involving youth have attracted national attention and have influenced numerous sectors actively involved in the justice field and many members of the public believe that the transfer mechanism and sentences for murder in the Young Offenders Act should be revised. That is what we have done in this bill.

These cases called into question the integrity of the Young Offenders Act as a whole and I think have contributed to a loss of confidence in the juvenile justice system.

There are those who say that the interest of the youth should be the primary concern in accordance with the principle that young persons are not adults and therefore should not be held as accountable in the same manner or suffer the same consequences for their behaviour as adults.

There are other equally important principles in the act which refer to young persons bearing responsibility for their actions and society being afforded the necessary protection from illegal behaviour. It is the balancing of these principles which we are striving to maintain with the enactment of Bill C-12.

The objective of the federal government in these proposed amendments is to ensure that the best possible decision is made at a transfer hearing in the interest of both the youth before the court and the public.

Given the range of interpretation to date on the current test for transfer to adult court, it is viewed as highly desirable to lessen the unequal application of the test and to reinforce the notion that the rehabilitation of the young person and the protection of the public must be weighed in determining whether or not the youth remains in the youth system.

• (1230)

Bill C-12 directly addresses these issues. Further, the bill specifies in the exceptional case where these objectives cannot be reconciled that the protection of the public shall be paramount.

That is what the new test says, and I think this is why Bill C-12 is such an important step forward, particularly for those who are interested in this area and for those who have lost some faith in the juvenile justice system.

Under Bill C-12, the proposed disposition for a young offender who stays in the youth system and is convicted of first or second degree murder is a maximum of five years. For those who remain in the youth system and are convicted of murder, again the maximum period is five years which is made up of three years of custody to be followed by a period of conditional supervision.

The disposition would change the maximum sentence of three years custody, a sentence which in some cases has been considered entirely inappropriate.

We have added a period of supervision in the community to help that young person get reinvolved and reintegrated into society.

The federal government has two objectives in restructuring this disposition: first, to enhance the potential for rehabilitation and, second, to offer increased security to the community at large.

In proposing a period of guidance and supervision in the community after a period of custody, the bill recognizes that the protection of the public and rehabilitation go hand in hand.

However, the custodial term could be extended where a court is satisfied that the young person is likely to commit an offence causing serious harm or death. Additionally a youth court may order the return of a young person to custody where there has been a violation of a condition of release.

Bill C-12 also reduces the period of parole in eligibility for young offenders who are transferred to adult court and convicted of murder. Transferred youths convicted of first or second degree murder would receive a maximum sentence of life imprisonment, but the period at which time they would become eligible for parole would be between five and ten years.

Such a reduced period of parole ineligibility to be determined by the judge at the time of sentencing would diminish the negative effects of long-term incarceration and would reflect the belief that a young person has the potential for rehabilitation.

At report stage, the government tabled a motion concerning the placement of youth whose cases have been transferred to adult court. That particular motion was passed by the House.

This motion responds to the concerns of many members of Parliament and of individuals and organizations with the current placement of youth in adult facilities.

While the government had initially intended to deal with this issue as part of a second phase of legislative review, time has afforded the opportunity to consult further and resolve the issue at this stage.

The provision that I just referred to would require as the normal rule the placement of a transferred youth under the age of 18 in youth facilities during the pre-trial stage.

An exception could be made and the youth could be placed in an adult facility where a youth court is satisfied, taking into account the best interests of the youth and the safety of other youth, that this is desirable.

A youth over the age of 18 years would normally be placed in an adult facility. A provision is also made for an exception allowing the court to order placement in a youth facility using the same criteria.

Where a youth is transferred and convicted in adult court and is under 18 years, provision is made for the court to select between youth, provincial adult and adult penitentiary systems having to take into account a number of factors. Beyond this bill further changes to the Young Offenders Act are being examined to address three distinct aspects of the act. These are, first, to respond more effectively to the special needs of adolescents given their state of dependency and level of development and maturity; second, to determine the most appropriate legislative framework for custodial sentences and for sentence review; and, third, to ascertain the most suitable provisions regarding the admissibility into evidence of statements made by young people to persons in authority.

At the heart of the sentencing amendments is the question of how sentences should be structured to achieve the greatest promise of rehabilitation. The government is committed to moving ahead as quickly as possible with whatever legislative changes are desirable to realize this goal.

In conclusion, the greatest challenge to Canada's juvenile justice system arises where young people are involved in the commission of serious or violent offences, particularly murder. Parliament's role in meeting this challenge is to enact sound juvenile justice legislation which adheres to the principles and policies embodied in the Young Offenders Act. Bill C-12 exemplifies such legislation. The bill reinforces the premise that the protection of the public and rehabilitation can go hand in hand. Both of these objectives would be enhanced, in our opinion, by a follow-up period of community supervision.

In exceptional cases where the juvenile justice system cannot protect the public or rehabilitate the young offender within the time available in the youth system, as I have indicated, the protection of the public becomes paramount under this new bill. The transfer test makes this very clear.

I think that is something that for the most part most Canadians are enthusiastic about and one of the reasons I believe for those who are aware and concerned about the whole juvenile justice system to applaud the provisions of Bill C-12.

The bill also recognizes the potential for rehabilitation for those youth transferred to the adult system by allowing for their earlier integration into the community. I think it is a step forward in this whole question of the transfer of young people from youth court to the adult system.

Again I congratulate and thank all my colleagues who have worked so hard on Bill C-12 as well as other pieces of legislation in the justice area. I think all of this contributes to the confidence of people in the system. All of them contribute ultimately to making Canada a safer and a better place in which to live.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I appreciate the thanks of the parliamentary secretary. I respect the parliamentary secretary. I know he did not want to waste his thanks on me. I have been a member of Parliament for 12 years and I can say without hesitation that this is the worst bill that has ever come from the Department of Justice. It is absolute trash and it is not going to do the job that needs to be done.

The member says he applauds those who have supported this bill. One witness who came before the legislative committee supported this bill. Every other witness, and there were many, said this was bad legislation.

Even the minister does not support this bill if you look at the facts. Where is she? The minister did not come to the legislative committee once. The parliamentary secretary says it is his job. I would like to ask where responsible government is if the minister is not going to support her own legislation. Where is responsible government if we cannot actually get to the minister to put our concerns through? When I spoke to the minister about this she said: "My parliamentary secretary is advising me as to what has happened. I have officials from the department who are there". That is not acceptable. That is not the same thing as the minister being there to hear concerns first hand.

• (1240)

Also the minister assured us that she would be here for third reading. All she had to do is read a speech. She is not here.

Madam Deputy Speaker: The hon. member has been in this House for a long time, as he has said himself. He does know that referring to the presence or absence of a member or a minister should not be done. I would appreciate if he would take another line of questioning in his speech. The hon. member.

Mr. MacLellan: Madam Speaker, I certainly do not mind taking another line. I have quite a few of them here.

The bill itself is very misleading. When you look at Bill C-12 it says: "First reading on May 29, 1991". That would give you the impression that this bill was presented to the House as recently as May of 1991 and has proceeded quickly.

I want to tell the House that nothing could be further from the truth. The reason that we have a first reading date on the bill of May 29, 1991 is because we started a new session. The first reading of the bill was over a year ago. In fact, we completed the legislative committee proceedings on this bill in December 1990. We are now in third reading over nine months after we completed the legislative committee process. There has been absolutely no rush.

In a letter dated September 25 which was sent to many people the minister says that she is now proceeding to improve other aspects of the bill. She hopes to bring forward legislation and the parliamentary secretary referred to the same thing, "other aspects of the bill". She says:

> —given the public and government consultation that has already occurred on many of these issues, it is hoped that the next phase can be conducted in as short a time period as possible; accordingly, responses from the non-governmental sector are being requested no later than December 1, 1991.

The natural thing is to suggest to the minister that if she feels this is an imperfect bill why is she presenting it to the House at the present time? Second, if she felt that there were other things necessary for the improvement of this bill, why were they not put into this bill after the legislative committee process? We just had report stage a few weeks ago. There is no reason why the government could not have brought forward amendments at the report stage to improve this bill so we would have a better bill.

The parliamentary secretary says that the government brought forward an amendment which would ease the concerns of a great many people. I can assure you that it does not. The fact is that in one way it is somewhat of an improvement. What the amendment does is say that those youth who are waiting for the question of whether they will be transferred to an adult court or heard in a youth court will be kept separate and apart from adult prisoners in a special youth facility. It is great that they can stay in this facility until the age of 20. That is wonderful. That helps.

But what does it do for the young people who are convicted of the offence subsequent to having their case heard for which they have been charged? In this motion it says that the youth will be kept in a youth facility, kept in a minimum security facility or sentenced to a penitentiary. It does absolutely nothing to look after the question of how the youth are to be treated after they are convicted.

The only reason we have this amendment is because the government has been embarrassed that the bill did not meet the terms of the UN Convention on the Rights of the Child which this government co-sponsored with another nation. In fact the Prime Minister was in New

York representing one of the two co-sponsoring nations which signed this declaration.

Section 37(3) says that young people have to be kept separate and apart from adults unless it is in their best interests to be so. It directly refers to the incarceration of young offenders and says that they are not to be kept with adult prisoners.

The government could not ratify this document with that in there so it brought forward this motion. But it still does not erase the inconsistency that exists between this legislation and the UN Convention on the Rights of the Child because young offenders are still going to be incarcerated with adult prisoners after they are finally charged.

Young offenders in youth court will now be given longer sentences and will have the date for parole reduced to 10 years if they are convicted of first degree murder and have a 25-year sentence. This makes it more palatable for courts to refer young offenders to an adult court. It is an invitation to refer these offenders to an adult court. This is counterproductive to what is really needed in society today if we are going to deal with the problem and youth.

Let me just run over the procedure as it exists. First we have a situation where a young offender commits a crime. The young offender is held in a holding institution. Quite often the Crown prosecutor will make a motion to have that young offender referred to an adult institution and that the case will not be heard in youth court.

If the Crown prosecutor is successful the young offender can then appeal. Then there could be another appeal whereupon the question of whether the young offender is guilty or not guilty of the crime will not be heard for as long as two years. The young person is in incarceration for two years before his or her case actually comes before the courts to determine his or her guilt or innocence.

In this case the amendment looks after the fact that the young person must be held separate and apart. The problem is that is only a part of the problem. What happens to the young offender later? Where does the young offender go after his or her case is finally heard?

The other incidence is this. What happens while the young person is in a holding institution? There was a recent case decided where six young people were charged with the gang rape of a 14-year old girl. The question of whether these six young people were going to be tried in a youth court or an adult court took two years to resolve.

Finally it was decided that the young people would be tried in a youth court. The problem was that it took two years. We look at this unnecessary procedure and we look at the recent Askov decision. There was an appeal under the charter after this two year matter was finally resolved which found that this process took too long and it violated the rights of the six young men to a fair trial. The court found in favour of this under the Askov decision. These six young people were let go. They were not even tried for the gang rape with which they had been charged. They are out on the street. Can you image the parents of this then 14-year old girl and their vision of what the justice system is doing to right the wrong that had occurred? They would be absolutely apoplectic at that decision.

• (1250)

With these transfer provisions under the Askov case, lawyers will be appealing the decisions for transfer to an adult court. That could go on for as much as two years. It does not even have to go on for two years. It can go on for a much shorter period of time. The judges will rule that the young person's right to a fair trial has been violated and these young people are going to go free. That is a travesty. It is an absolute travesty. To those out there who say: "No, it is never going to happen" I say just look at the court records. Fifty thousand cases in Canada have been thrown out under the Askov case because the period of time it took this person to come to trial was considered by the judge to be too long.

The projection is that at least 100,000 cases are going to be thrown out. A person called me and was in tears because there was a case of a drunken driver hitting and killing a young person. It is absolutely ridiculous that the government is promoting these transfer provisions.

Let me talk about the violation of the rights of the defendant, if we want to look at it that way. As it stands right now, in an appeal for a transfer provision the young

person has to plead guilty or not guilty. If the young person pleads not guilty the court psychologists who have been appointed will say: "Oh, well, if the young person is pleading not guilty, he or she is not repentant, so there is no hope of rehabilitation for this young person". We are going to send them to an adult institution where there will be less chance of rehabilitation. That weighs on the report to the judge and the judge's decision.

What young persons should be penalized for saying they are not guilty if they really believe they are not guilty? It is a violation of their fundamental rights.

Second, if young persons say they are guilty what does that do for the final disposition of their case when the final matter for which they are charged is heard? Certainly it is going to have an effect. It is absolutely ludicrous to have these transfer provisions. The government is only increasing the likelihood that there are going to be more.

The transfer provisions are really ludicrous because they are applied in different ways in different parts of the country. In Quebec, only 15 per cent of young offenders is transferred to an adult institution.

In one of the western provinces the figure is 87 per cent. Why? It is because there are more native young offenders in that provinces.

It is a travesty that this is going on in this country at the present time.

What about rehabilitation? We are told by the parliamentary secretary and the minister: "This is all going to come to pass. This is going to occur". I am not convinced. Rehabilitation and guidance for young people is a provincial jurisdiction. When the Young Offenders Act was passed in 1984 it was with the belief that the provinces would provide institutions for young offenders separate and apart from adults and they would provide rehabilitation and counselling for these young offenders. It has not happened. In fact, the inclination has been to put more and more of them in adult institutions.

The parliamentary secretary says that the first priority of this bill is public safety and that people applaud that. Of course they applaud that. People are scared to death to walk the streets in many parts of our cities right now.

They want more public safety but they also want a workable process. If you take a young offender, put him in an adult institution where he is abused by adult criminals and sexually abused constantly day after day, that person is going to be a person who has a grudge against society. He may want to get back at society.

Second, you are going to have a former prisoner who has learned pretty well every trick in the book on how to commit his or her next crime.

There absolutely has to be rehabilitation. I want to refer to a man I have a great deal of respect for, Maurice Rose. He is originally from my constituency in Cape Breton Island. He wrote a notice and distributed it to all members of Parliament.

He says: "Let me begin by introducing myself. I am Maurice Rose of LaSalle, Quebec. On March 17, 1989 my wife and I left for North Sydney, Cape Breton for what was to be a very short trip. On the morning of March 19, 1989 I received a call informing me that my son, Joe, had been murdered on the MUCTC bus at 3.30 a.m. that same day by four armed youths with knives".

He would be a man you would expect to want to get back at every youth offender in Canada. However he has distributed a petition across this country asking for further punishment, certainly more realistic punishment, but also treatment and rehabilitation for young offenders. He is a man who in his grief has said that the system is not working. He has also said that what this government is proposing is not working.

He has distributed a petition across this country which has 800,000 signatures. It has 800,000 signatures. The man, in his grief over losing his son two years ago, has done more to bring to the attention of this country the problem that exists in our cities and with our young people than everyone in the Department of Justice. Certainly that includes the minister.

We have to depend on our citizens who have received this kind of hurt. What is going to happen to this country? The Department of Justice used to be one of the gleaming examples of effectiveness in government. Today it is diminished considerably because it is not leading the fight on crime in Canada. No, not at all. It is following.

As it takes two steps forward and one step back and in this case one step forward and two steps back, crime is becoming more sophisticated. It is more sophisticated. The danger to our citizens and to our municipalities is increasing.

Let me just quote one article from *The Ottawa Sun*. This does not rely on whether you like *The Ottawa Sun* or not. It is pure statistics. It says: "The number of teenage girls charged with violent crimes in Ontario has doubled since the Young Offenders Act was introduced, police figures show. There were 65 per cent more teenage boys charged with violent crimes in 1990 than in 1986". That is a 65 per cent increase in four years.

Federally there was a 34 per cent increase in violent crime among youth in the other nine provinces and two territories. Across Canada there was a 34 per cent increase in four years. We have a very, very serious situation here. I just want to mention one thing.

We say that the young people need to be considered in this very important area.

• (1300)

Madam Speaker, let me tell you what the Minister of Justice said. She said too many young people "turn to crime because they are not finding their way in the education system and not finding their way in productive ways in society".

Madam Minister, it is a good guess but you have missed the mark by a mile. How can you expect the minister to introduce meaningful legislation if she does not even know the problem?

I want to quote from one very eminent psychiatrist in Ontario's Thistletown Regional Centre, Dr. Clive Chamberlain. He says: "The Young Offenders Act not only fails to ensure that kids who commit murder will get the psychiatric help they need. It does not protect the public from potentially dangerous criminals. Predicting whether a child is capable of an act of murder is like predicting an earthquake". That is very accurate.

The minister says: "No, that is not the case. They turn to crime because they are not finding their way in the education system and not finding their way in productive ways in society".

There are a great many young people from good homes and high income families committing crimes. An alarming number of them are highly educated. There are certainly a lot of young people who turn to crime from single parent families and are out all day with no supervision. A lot of them do not have a chance. They are ideal for those who want to exert bad influences on them.

To say that it is because they are not finding their way in the education system—talk to the teachers in the large cities in this country teaching students up to 17 years of age. They are scared to death. Young people are going to school, nine and ten-year-olds, carrying firearms. In one case the school expelled the students. They were ten and eleven-year-olds carrying firearms and bringing them to school.

Do you know what happened, Madam Speaker? The school did not get credit for that. It got calls from the neighbourhood saying: "Why are you putting these children out on the streets where they are a danger to the neighbourhood?" What are the teachers supposed to do? Allow students who are carrying handguns in school, at the age of 10 and 11? It is absolutely ludicrous.

What does this government do? Does it address the minimum age, which is 12 under the Young Offenders Act, and the fact that anyone under 12 is not considered culpable for a crime? No. You have to be 12 years old before you are even considered eligible to be under the jurisdiction of the Young Offenders Act.

There are sophisticated criminals on the streets who are 7, 8, 9, 10 and 11 years of age. Let us look at this. All we are doing with this legislation is leading people into a false sense of security. It is absolutely irresponsible but this is what is being done.

Where is organized crime in this question? Madam Speaker, let me tell you where organized crime is. Organized crime is promoting young offenders. It sees that young offenders are committing crimes, going to court, getting a slap on the wrist and a little stern talking to by the judge and then they are out on the streets. Sometimes when they are convicted they are back on the streets in a few months.

How can you expect young people to have respect for our criminal justice system? They are laughing at us. They are laughing at the police, and with good reason. They are getting away with it. Organized crime is putting these young people up front. They are the foot soldiers in organized crime because it knows if the young people are caught they will get away with a minor sentence. Let me say something else. Do not let me leave the impression that I am insensitive to young criminals, because nothing could be further from the truth. We have a real problem here. I want to say that doing what this bill recommends, doing what this government wants us to do without meaningful amendments to the Young Offenders Act, is only going to exacerbate the problem.

We have to take these young people and give them some rehabilitation. Some of them just do not understand. I talked to psychiatrists that say that young people commit murders and they do not even know what they have done, they are so mixed up. That is hard to believe. It is hard for me to believe, but this is what I am told. There are an awful lot of mixed up young people out there and a lot of them have never had a chance.

One can say: "Oh, well, he killed somebody and what chance did that person have", but let me say that attitude is not going to correct the problem. We need longer sentences. We have to have longer sentences. We cannot let these young people out after a few months because they need counselling, they need rehabilitation. If we have young persons in a facility for just a year or a few months, how are we going to give them meaningful rehabilitation? We cannot take a young person aside and say: "You must have counselling and rehabilitation", because the young person could say: "To heck with you. Go find somebody else to give your sermon to. I am not getting any counselling". So the young person is out on the street.

What is needed is for the young person to realize that he or she needs this counselling. That may take time, but we cannot allow these young people out on the street until they realize that they are in need of help and that they can get this help. This is for their safety, because they are young persons and they are going to be back. Even if they commit first degree or second degree murder and even if they get sentenced to 25 years, they are going to be back on the street and they are going to be out in society. We do not want them to be bitter. We do not want them to say: "I am getting even with society because of the way I have been treated". We want them to be meaningful, important members of society. We just cannot afford to have these young people coming out and committing more crimes again. It is mushrooming. We have to do something realistic.

What we in the Liberal Party are saying is: Do not go with these transfers. Do not transfer young people to adult court. Have a unified family and youth court which knows of the young persons and their parents or parent or guardian from the time they were young. There is a history in the family court perhaps of family problems and problems with the youth and these judges can deal with it. They are trained in family problems and youth problems. Of course now a family court cannot deal with a jury trial, but that can be changed. There is no reason that a jury trial cannot be the privilege of the young person if he or she wants it.

There are also going to be incorrigibles. The person who said there is no such thing as a bad child was off the mark. There are young people—maybe it is not their own fault—who now are beyond counselling. That is a tough decision to make I know. I even find it difficult to say that some young person is beyond counselling. However there are cases where we have to make that decision. There are young persons who cannot be put in a youth facility because to do so is not going to help the people there who we feel can be helped. Perhaps we have to put such young persons in an adult institution. I am sorry, but perhaps that has happen in those few special cases.

The fact is that a youth court can still do that. There is no reason that we cannot give the youth family court the power to sentence someone to an adult institution if it feels he or she is incorrigible. The youth judge is a lot more able to do that than the regular judge who has not had this special history in dealing with family and youth problems. There is no reason we cannot have that court doing that.

• (1310)

We also feel that sentences in the youth court should be increased, for instance, for first and second degree murder. It is up to 10 years for first degree murder and 7 years for second degree murder. Sure, give longer sentences. Any psychiatrist or any counsellor who deals with young people says: "I do not like longer sentences. I do not think they help". Believe me, longer sentences are preferable to putting these people in adult institutions because if we do that, we have lost them. They say: "We admit there are cases where you have to have a longer period of time to reach these young people and then to give them the proper counselling". I feel that longer sentences are important. What we are trying to do is deal with something that will have a meaningful result.

I find it galling that this government has been in power for seven years. In 1984 the Prime Minister answered a questionnaire from the Canadian Council on Children and Youth. He was asked about the priorities of the Conservative government in the area of young offenders and he said: "The Progressive Conservative Party supported passage of the Young Offenders Act and continues to endorse its philosophy and principles. We are committed to assuring financial assistance to the provinces to allow for equal application of the law and availability of programs and services across Canada".

An hon. member: Those are empty words.

Mr. MacLellan: Those are empty words. Nothing could be further from the truth. In fact in 1989 the government froze assistance to the provinces in this regard for a five-year period.

We have a deteriorating situation in this country. People in our municipalities are scared to walk the streets, are fearful of the increased rate of crime and are buying firearms, which we definitely do not want them to do but which they are doing in response to the increasing crime rate.

We have police that have to deal with this without the satisfactory laws to allow them to do the job. We have counsellors and psychologists that want to help these young people but cannot do it because the governments will not give them any money.

It is nice that governments can build hospitals and schools and say at election time: "We have these lovely hospitals and schools". Of course the hospitals may not be staffed properly. They may not have the proper equipment. One or two floors may be closed because they do not want to spend the money to outfit and staff them properly. They point to hospitals because people like hospitals. They feel a security from having proper hospitalization and proper education.

However, they will not spend it for young offenders' facilities. Why? It is because it shows that there is a little frailty in all of us and that if they build young offenders' facilities they are admitting to the public that there is a human failing, that perhaps some young people are going to need guidance, assistance and incarceration for a period of time. That is a bad message; that is a downer at election time.

We in this country are suffering from the shortsightedness of governments and their underestimation of the Canadian public. I also want to say that if we do not do something to address this matter, we are not only going to have a serious problem on our hands; we are going to have a catastrophic problem on our hands.

We have seen just south of the border what happens. We have to do something constructive to deal with the problems of increasing crime but, more important, the increasing crime among our young people. We have to do something constructive. This bill is not constructive. It is a retrogressive step. The fact that this should come forward at a time when we need the government on our side, to me is absolutely galling.

I just cannot say strongly enough how disappointed I am and how disappointed Canadians are going to be when they see and realize the hollowness of this legislation.

I want to say to the government in one final plea: please, please withdraw this legislation and bring forward something that is constructive and that is going to be meaningful in the fight against crime, aiding the people of this country, protecting and perhaps helping the young people who need this help, and at the same time giving the greater protection the government says it wants to give to the public. Please withdraw this legislation and bring forward something constructive.

This is just a terrible piece of legislation. I want to say as strongly as I possibly can that our party will not support this legislation. It is a disgrace. We demand that the government reconsider it and bring forward something that is going to be meaningful.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I rise as my party's justice critic, as the NDP justice critic, to speak on this very important bill respecting amendments to the Young Offenders Act.

I think this is about the 19th time I have been up this week. I am sure other members and people who are watching are probably thinking: "Well, there is that fellow again. I thought they were going to get rid of him about a week ago". Of course I would not have wished

this, but I am beginning to think if they had suspended me from the House for a couple of weeks it certainly would have improved my health. Who knows, after the members had heard all my 19 speeches, it might have improved their health too.

In any case I think this is the last one. As the Chair knows, we are going to be spending the next week with our constituents and so we will get some feedback hopefully on some of these justice bills.

I want to say right away that I want to make three points. The first point is that this is a very limited bill. Indeed it is a wrong-headed bill to deal with a very big problem, and that is the growing difficulties with juvenile crime and the rehabilitation of juveniles in this country.

The second point I want to make is that I want to be positive. I do not just want to be negative. There is another approach to deal with this and I want to offer some of my views and the views of my party about what the other approach would be.

Third, I want to be straightforward and say this is the last part of a phoney war that we have seen this week, a phoney public relations war. It has not been a real campaign against crime but a PR campaign against crime: issue a press release or have a press conference as this government has been doing all week in the so-called protection of society agenda, or law and order week as it has been dubbed. It thinks that resurrecting some old bills and doing some press releases somehow is going to fight increased crime in Canada. I say to the government and to the minister it is just not going to work. The Canadian people are not stupid. They can see through that.

Indeed I will give a little example here. The minister had a press conference with other ministers to which he invited us and the media to come to talk about this agenda. At the same time on the Hill today and yesterday there is a man, a Mr. Maurice Rose to whom the hon. member from Cape Breton made reference, whose son was killed in a tragic event. A number of juveniles were involved and Mr. Rose feels quite strongly, I think with good reason, that justice was not done in the sentencing of those people. Mr. Rose asked to meet the minister. He met with the hon. member, the justice critic of the Liberal Party. He met with me this morning. He asked to meet the minister but the minister did not have time to meet him. They passed in the hall.

This is the mistake of the minister and the mistake of this government. It is all glitz, it is all PR, but it is not people.

Mr. Mills: All tactics and no substance.

Mr. Waddell: "All tactics and no substance", as the member from Broadview—Greenwood just said. He put his finger right on it.

That is the problem with this government. Wake up, there are people out there in this country. They have real needs. You cannot fight crime by press releases. It does not work. It is phoney and it is dishonest.

I said another approach could be used in juvenile cases and I think it is incumbent upon us to put forward that approach. I will come to it when I am a little further into my speech. We could treat juveniles as juveniles.

• (1320)

We should not be afraid to punish them. We could be tough. There could be short, sharp punishment for offences. We should not be afraid of incarceration. We should beef up treatment facilities and so on.

Once you put a juvenile in adult jail, God, that is a school for crime. The hon. member for Esquimalt—Juan de Fuca who worked as a social worker until he was fired by the old Bennett government in British Columbia decided not to get mad, but to get even, so he became premier of the province and got rid of the government that fired him. He made a good point in an earlier debate here.

He said: "You put a young man who is 15, 16 or 17 in an adult jail and they are going to be raped within days. They are going to be criminals within six months to a year. They are going to learn all the tactics". We have to deal with juveniles as juveniles, I believe, but we must have the facilities to do it and we have to not be afraid of not having tough punishment also for juveniles as juveniles.

If the Prime Minister would read his own speeches at the United Nations, he would notice that he says one thing at the UN in the great light of world opinion and then brings in a different bill here, although he has amended this bill somewhat to conform with the speech at the UN but not completely.

Anyway, there is another way of dealing with juvenile crime. The other thing is not only should the minister talk to the families of victims like Mr. Rose. She should talk to some of the people who came before our committee who wanted a vastly changed bill. Instead, we got a very limited bill.

What this bill has, just to summarize it for the House, is three objectives: to make it easier to transfer a youth to adult court, to increase the penalty for youth convicted in youth court of first or second degree murder from three years to five years less a day, and to permit earlier parole eligibility for youths transferred to adult court on murder charges.

It is a very narrow bill dealing with very few of the real problems that we have, as the hon. member for Cape Breton—The Sydneys pointed out in his excellent speech.

Rather than reiterate some of the things he said, I want to emphasize a couple of the amendments that I proposed that were ruled out of order. I offer them in third reading as a potential for talking about later on or bringing a new bill and really dealing with the subject, not the PR war but the real war as I call it.

The first one is reference to an amendment I proposed about a statement of principles in the bill. I wanted to amend the statement of principles as set out in section 3 of the Young Offenders Act to affirm the principle of giving cultural needs, especially of native youth, special consideration in the delivery of services, programs and facilities for young offenders and to affirm for the first time in the Young Offenders Act that the principle of rehabilitation of young offenders best serves the interests of society.

I was particularly concerned by some evidence that we received in committee from the Canadian Council of Children and Youth. I will quote from pages 24 and 25 of its brief to the committee on what was then Bill C-58: "Consideration should be given to improving the act's declaration of principle found in section 3. These principles are sometimes cited by court, policy makers and politicians and probably influence the outcome of individual cases, and policy decisions.

They also have important symbolic value for youth, professionals, politicians and society as a whole. The long-term protection of financial interests in society are best served by the rehabilitation of young offenders and their successful reintegration into society".

"And their successful reintegration into society" is the end that we are all trying for.

The council pointed out that the declaration of principle explicitly acknowledged that the interests of society are best served by the rehabilitation of young offenders and their successful reintegration into society.

That was in the statement. That could conceivably require the provinces and the federal government to provide real facilities for young offenders, and it would be there in the law. They would be required to do that.

The council also has a concern that services, programs and facilities for young offenders must be culturally appropriate. In particular, in many places services for aboriginal youth are not appropriate to their values, culture or language. In a number of provinces child welfare legislation contains a declaration of principle to the effect that services and programs for youth must be provided in a culturally appropriate fashion and in particular one that recognizes the special needs of aboriginal youth.

There are too many youths in our adult jails and this is a tragedy in Canada. We never really recognized that and dealt with it in the bill. That is a smaller area but a really important area.

There is another area that we were unable to get into the bill. Because of the way the system works, you get a narrow bill and you hear witnesses. You realize what needs to be done in the juvenile system, as the hon. member for Cape Breton—The Sydneys pointed out, and then you try to bring in the amendments but they never get in because you only can amend the particular bill. That is why we need new legislation. We should strike now while we are very well aware, unless of course you want to fight a PR war on crime. If you want to fight a real war then you start getting some real amendments.

Here is another one. This again comes from the recommendation of the Canadian Council on Children and Youth. It said in its brief to the committee on Bill

C-58: "There should be an ongoing national research and discussion in the area of juvenile justice. The council favours the establishment of a national institute for juvenile justice to undertake ongoing research, stimulate informed public and professional dialogue and take the lead in professional education and training. Such an institute would require federal funding to be a viable venture. A number of other countries have such a national juvenile justice institute".

It went on to say: "We have incomplete information at this time on the impact of the Young Offenders Act on the numbers of youth in custody, the numbers of youth diverted in the alternate measures program and so on. Because of the incompleteness of the information this bill is premature and ill-considered. We should get the information before we proceed. To do so, we must make it compulsory that all jurisdictions in Canada collect and report to the institute statistical information respecting arrests, charges, diversions, alternate measures and custodial disposition".

Of course, that would mean not fighting a PR campaign, would it not? That would mean getting some real information. That would mean really starting to build a workable bill. There is another amendment that could be considered.

I said the government was not listening. I mentioned Mr. Rose. I just want to read the letter that Mr. Maurice Rose is writing to members of Parliament. Let me read it and put it on the record: "Let me begin by introducing myself. I am Maurice Rose of LaSalle, Quebec. On March 17, 1989 my wife and I left for North Sydney, Cape Breton for what was to be a very short trip. On the morning of March 19, 1989 I received a call informing me that my son Joe had been murdered at an MUCTC bus stop at 3.30 a.m. of that day by four youths armed with knives".

I think it was at the Frontenac metro station, on March 19, 1989, in Montreal: "Of the youth that killed my son the 19-year-old was tried in adult court and was sentenced to seven years. One 15-year-old received a sentence of three years in a youth home. The other 15-year-old was sentenced to 11 months and the 14-year-old to six months. It must be noted that in the case of the 14-year-old the social worker held a foot-high file and clearly informed the judge that this young offender was a danger to society. It took the judge a mere 15 minutes to render a judgment which amounts to a mere slap on the wrist, a joke.

I wish to inform you of my fervent opposition to Bill C-12. Included herewith you will find a copy of a petition I have circulated across Canada. To date over 800,000 signatures appear on this petition to present it to the Minister of Justice, Kim Campbell", who would not even meet with this man, "thereby providing that the people of Canada also wish stricter measures taken toward young offenders.

I have also appeared before the committee. I am doing this without any financial backing. Hence I implore you to vote against Bill C-12.

The Young Offenders Act is far too lenient on youngsters having committed a crime. These individual need special assistance and guidance to ensure that the cycle is broken, so that they too can lead a responsible life in our society.

I realize that changes to the Young Offenders Act will not bring back my son. I do hope however that justice will be served for other youngsters and their families across the country who may also experience the pain and anguish my family and I have felt".

Mr. Maurice Rose can be reached at Box 664, Champlain Station, LaSalle, Quebec. I put that forward to the House and to the Canadian public so that they can help Mr. Rose in his battle. Mr. Rose spoke to the press. There is a good article in *The Montreal Gazette* of Wednesday, March 20, 1991, by Jack Todd where he says: "You know, first I ran into brick walls but the biggest brick wall was Ottawa and Kim Campbell refused to see him". He said: "Some people get it wrong. They think I am out to hurt kids. I am not out to hurt kids. I want them to get help. I want it mandatory and I want some facilities to help them". Here is a man pouring his heart out to Parliament and telling us to do something more than just PR, to do some real things about young offenders.

• (1330)

I said that this bill does three things. It makes it easier to transfer to adult court. The problem of course is that if you put a young offender in adult court and the adult system, the treatment facilities are not available and so this transfer means an abandonment of the youth.

The bill deals with a very small amount of people. We are dealing with murder charges which represents one-

fortieth of one per cent of all offences dealt with in youth court. That is a pretty small amount to deal with.

I had a meeting in my riding in a high school in which they discussed youth gangs. There was so much more to discuss rather than transfer on murder applications, but we do not have that in the bill.

The bill also deals with detention provisions and we mentioned this. I recognize that the government accepted an amendment that I first presented in committee in which we tried to keep young offenders separated from adults. I have some concerns whether that is going to work out in practice and I think we are going to have to look at this amendment. We passed it very quickly. It changes very much at the last moment and I think we are going to have to watch that and see how it is working. I flag that for the government.

There is also a provision in the bill for parole eligibility. You can get earlier parole if desired, but we should not confuse that because earlier parole has nothing to do with what it is like to be in an adult jail, which I said is a school for criminals.

I could go on and talk about this bill for a long time. We had a lot of evidence on the bill.

Perhaps I should bring my remarks to a conclusion and say that this is a very, very limited bill on a very important topic. There was another way to proceed. We could have really dealt with juveniles, kept them in the juvenile system, beefed up the juvenile system, short, sharper penalties, longer penalties in the juvenile system, decent facilities, psychiatric treatment when it was mentioned; that is what we could have done. Instead, we get a Willie Norton approach, if I can call it that. It is all PR and they are trying to convince the Canadian public this week that this government has met a kind of law and order agenda. Well it is all PR. It is just not so. If you look at this thin bill you will see that it is not really dealt with.

The minister says she will consult now. She had better have a new round of consultation with the people who work in this system. I think there is evidence in this bill that there has been no consultation.

If you really want to have a crime agenda and not a PR agenda, if you want to really attack crime you attack illiteracy. If you really want to attack crime, you attack child abuse. If you really want to attack crime, you attack poverty. If you really want to attack crime, you attack unemployment. If you really want to attack crime, you get to the root of it by having a decent juvenile system that works.

The problems of youth crime are not easy ones to address, but we must resist the temptation to supply simple solutions for complex problems. Increasing sentences, building more jails and eliminating the distinction between children and adults may appeal to public fears, but that approach does nothing for real treatment, nothing for the protection of the community and nothing for services to the victim. All you do is guarantee a steady, unending supply of adult criminals in the future. That is what this bill does and that is why we oppose this bill.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I just want to direct the hon. member's mind to two points that he made. He mentioned the lack of consultation on this bill. I would suggest to the hon. member that there was considerable consultation that I mentioned in my remarks to the House. I think the proof of that consultation was the support that we found at the committee stage of this bill.

I would remind all hon. members that this bill was in large part supported by the Canadian Bar Association and by the Canadian Association of Chiefs of Police.

I am not saying that everybody totally supported it. That is part of the committee process. But the Canadian Association of Chiefs of Police support the thrust of what we are doing here along with the two representatives the committee heard from the judiciary. They had suggestions and in fairness it should be said that most were related to the second phase that the government has proposed on this. Most of the suggestions or criticisms that were given were directed toward the second part of this.

But the two members of the judiciary and the Canadian Council of Youth found positive aspects in this.

Mr. MacLellan: Mr. Speaker, I take great exception to talking about the second phase of a bill we have never seen and something of which we have never heard.

How many times have we heard that somebody is going to do something and bring forward other legislation? There is no second phase before this House and I resent any mention of it as if he knew what he was talking about.

Mr. Nicholson: Mr. Speaker, I think what the hon. member resents most is that I am calling him to task on his comments that this bill was not supported at the committee stage. He said nobody supported it with the exception of one witness. He said the minister did not support this. The hon. member knows this is not factual. The Minister of Justice is obviously very supportive. This is her bill and her government's bill. This is our bill. She is very supportive of it.

I bring it back to the hon. member for Port Moody—Coquitlam. I suggest to him that we found substantial support at the committee stage and I think that was as a result of the consultation process.

I want him to direct his attention to one other matter. Most of this bill deals with the transfer provisions and the penalties for young people who are convicted of murder. Toward the end of his speech the hon. member said: "What young people need are short sharp sentences". I would like him to clarify this. Was he referring, as this bill does, in large part to those convicted of murder? Was he referring to short sharp sentences for them?

Would he not agree that if we followed the suggestion of the hon. member for Cape Breton—The Sydneys for these longer sentences and keeping them in the youth system we would have a situation where we would have 24 and 25-year-olds who get this long sentence. In effect we would have adults with young people, 14 and 15-year-olds. That may not be exactly what the United Nations had in mind when it said separating young people is not always in the best interest of young people who might remain in the youth system detention facilities for a period of 10 years.

I would ask him to address the two parts.

Mr. Waddell: With reference to the latter part on short sharp sentences I meant for other juvenile crimes which we could not deal with because the bill does not deal with it. The bill deals with about one-fortieth of one per cent of all the offences. The government did not really deal with that. I think there should be adequate sentences for murder of course.

I did not say the government did not consult with people on the bill. I said that there would be further consultations and that government should listen.

There is one person the government did not consult with. The hon. Minister of Justice was asked to meet with a truck driver from Cape Breton who came to the Hill. She would not meet with him. She would rather have a press conference on the PR aspects of the week. This is what it is all about. This man came and he does not have a limo. He is a truck driver. He does not have an executive assistant. Sorry. He is just a ordinary truck driver from Cape Breton. He has no millions of bucks like this government spends on PR. He is just a truck driver who lost his kid, that is all. He has none of these big PR assistants or executive assistants to do things. He is just a little guy in grief and she would not even meet with him. That is how much they think of the Canadian people. That is their problem. They do not care about people and that is why they are going to get thrown out at the earliest opportunity Canadians get.

• (1340)

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, I just want to ask my hon. friend from Port Moody—Coquitlam a question. He has done a good deal of work on this case and worked hard on the committee. It is my understanding that while there might have been some parts of this legislation that some of the witnesses did approve, there was only one witness who approved this bill and felt this was sufficient to go forward as it was, without major changes.

I do not ask the hon. member to remember but the consensus from committee was this bill needed more work and that it was not satisfactory. I would like to know his feelings on it.

Mr. Waddell: I could not agree more. What has happened in some of these justice bills as they come forward is that when we started hearing about the bills they were quite narrow. This bill deals with three aspects of the Young Offenders Act. We kept hearing about a lot of other things that need to be done.

In the Young Offenders Act I mentioned the justice institute, native kids, better facilities and co-operation with the provinces.

In the gun control bill which was one of the good things we passed this week we had evidence that there is now a problem with legally buying restricted handguns in cities. That was just coming out in this evidence.

We need another justice round. I think we all agree we need to update some of these bills. We just started to find things. People came before this committee such as the police who wanted a change in this bill. The sentence for murder was too lax or too great. We can understand that.

It opened up a whole bunch of other things to which people were responding. I certainly do not want to end on a negative note this week. I want to end on a positive note. I think if there is anything good we have learned it is that we have a lot more work to do. Let us not just have a PR campaign. Let us have a real campaign on terms of Canadian security and justice.

Mr. MacLellan: Mr. Speaker, I want to make one more point. I would like to ask the hon. member for his opinion.

The parliamentary secretary referred to 24 and 25-year-olds being in youth institutions. The parliamentary secretary knows that need not be the case. It was in his own amendment that while they are waiting for resolution of the question as to which court, adult or youth, they are tried in when they reach 20 they automatically go to an adult court. This is fine. In most of the cases young offenders will serve their term before they are 20. The ones that do not will at least have the opportunity of rehabilitation and training. They need not be 24 or 25. I personally feel that up to 20 is fine.

I would like to know the feeling of the hon. member for Port Moody—Coquitlam on that.

Mr. Waddell: Mr. Speaker, these are the amendments that were introduced at the last moment. I said the other day that I congratulated the government for bringing it in line with what the Prime Minister said at the United Nations.

You are not going to have 25, 26 or 27-year-olds in this situation. It seems to me that the principle is that they are sentenced as a juvenile and treated as a juvenile and then they are kept apart so they do not go in the school for crime. They finish out their sentences.

Then the public, someone like Mr. Rose or others, says that they did get a decent sentence and they did get punished. The victims feel that justice has been done. They do not, as Mr. Rose says, pound the courtroom desk with a hand after the sentence. We give justice as far as possible to some of the victims and families of victims. At the same time we hit the young offenders but we do not put them in a school for crime. I think that is what was developing in the committee and that is what the hon. member was talking about in the institute.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I appreciate the opportunity to speak on Bill C-12, an act to amend the Young Offenders Act and the Criminal Code.

During the last campaign the Young Offenders Act was one of the issues in my particular riding. It was an issue because we have an awful lot of drug related crime in my community. The police consider my particular riding in downtown Toronto to be one of the worst ridings in Canada for crimes relating to drugs. Most of those crimes are committed by young offenders.

I would walk the streets in Broadview—Greenwood and listen to the constituents and also listen to the police forces. Time and time again they said that one of the difficult problems that they have when they are dealing with young offenders is that the rehabilitation process is voluntary rather than mandatory. I campaigned in the last election that if this bill came before the House I would fight for an amendment to this act. The specific amendment would be that the rehabilitation process for crimes by young offenders with drugs would be absolutely mandatory.

As we debate this bill today that is just one of the many amendments that are not in this bill and certainly do not meet that test.

But I want to pick up on something that was said earlier by the Parliamentary Secretary to the Minister of Justice. He said that as we were processing this bill through first reading, second reading and report stage we consulted with the Canadian Bar Association and the police association, et cetera. It seems to me that with this government the word consult is almost like a buzzword. It consulted people on the goods and services tax. It consulted people through the Spicer commission and it is consulting people now on national unity. The minister of trade announced two weeks ago that he was going to be consulting people on competitiveness and prosperity.

If you reflect on this government's consultation process you would almost think that this is one of the most open and consultative governments that we have had around here in many years. But when you strip away the veil of this consultation process you discover that very rarely does this government listen to what the consultants are saying.

When I go home on the weekend and listen to my constituents it seems that what they are telling me, whatever the issue, is totally different from what the government consultants are saying. This particular bill on the young offenders is just another example.

The parliamentary secretary said here this morning: "We have consulted". He did mention the police forces. I consulted as well with the metropolitan Toronto police force. On a bill like this I naturally called Police Chief William McCormack last week. His staff superintendent Grant Waddell responded. He wrote the following letter regarding the Young Offenders Act. He wanted his input to be amendments to this bill and I am going to be very specific. Here are the recommendations from the metropolitan Toronto police chief's office.

Recommendation No. 1 was publication of wanted youth. If a young person has committed an indictable offence or is alleged to have committed one there is reason to believe that the young person is dangerous to others. Publication of his name and description is necessary to apprehend him.

• (1350)

Such notice of publication should be in effect until he is apprehended. At the present time it is only in effect for 48 hours.

This is my exercise of consultation and I say this with respect to the parliamentary secretary.

The admissibility of statements taken from young offenders is such a contentious issue that it is felt a distinct new caution should be written into the Young Offenders Act along with guidelines so that each police force deals with it exactly the same.

This way there could be no misunderstanding and the judges could accept them. Distinct rights to counsel should be included in this caution as well as the secondary caution.

Judges should be appointed as youth court judges and deal slowly with young offenders' matters. At the present time family court judges sit as youth court judges. They are dealing with family matters one day and criminal matters the next.

The fourth recommendation concerns sentencing. The maximum sentence a young person can receive is three years, that is if he is convicted for a crime for which an adult could receive life imprisonment, i.e. murder.

For any other offences the maximum is two years. These maximum sentences should be increased to five years less a day for the most serious. It should be three or four years for crimes involving violence and two years for less serious offences. The five years less a day would still eliminate jury trials. Also at the present time youth can only receive a concurrent sentence. Repeat offenders should receive consecutive sentences.

For youths under 16 years mandatory treatment should be implemented on recommendation from the court's psychiatric assessments. At the present time children can refuse any type of psychiatric treatment after they are convicted. Children 12 to 15 years are not always capable of knowing what treatment is needed or required to benefit them.

An adult over 18 years charged and convicted of an offence committed when he was a young offender serves his time in a young offender's facility. Theoretically a 20-year old adult could serve three years in a facility with 16-year-olds. Anyone over 18 years convicted of an offence under the Young Offenders Act should serve their time in an adult minimum security facility.

Presently a youth sentenced to secure custody can be transferred to open custody by the administrator of the facility. This should only occur if the youth has received some form of treatment and is progressing satisfactorily.

At the present time the young offender's criminal record, not stayed or withdrawn, is kept on file for five years. This should be increased to at least seven years for the purpose of sentencing if he continues his criminal career as an adult.

These are recommendations from the metropolitan Toronto police force.

We talk about consultation. It seems to me that if we are really serious and really committed to drafting legislation that is more than just a public relations gesture, if we take the Parliamentary Secretary to the Minister of Justice's words sincerely, when he said this morning: "This law passed the test of protection of the public", if we are really sincere about that, how can we then ignore the advice of one of the finest police forces in the world?

These are men and women who deal with young offenders day in and day out. It is like asking a carpenter to build a home and not giving him any tools.

How do you expect the people on the street to enforce our laws? How do you expect them to stay committed? How do you expect the reputation for law and order in this country to be maintained when we are ignoring the very enforcers?

Let us talk about our judicial system. Our courts, as the Liberal Party justice critic, the hon. member for Cape Breton—The Sydneys, said earlier today are so backlogged right now, our system is so jammed up that we have just finished cancelling 50,000 cases. He gave the example of the young 14-year old girl who was raped by six young offenders and they got off scot-free.

Mr. Nicholson: On a point of order. I would not normally interrupt the hon. member but he should know that the case is presently under appeal. As a result I do not think he would want to be referring to any of the details of that case.

The Acting Speaker (Mr. Brightwell): I am sure the hon. member would understand that advice.

Mr. Mills: I take the point but we have been talking about this case all day. However there are similar cases that we all know and have heard about. That is the travesty of our system in Canada today. We do not have enough judges in the system. We do not have enough correctional centres. We do not have a separate system for young offenders in this country and yet we expect our police forces to do a good job. It just does not add up.

We in the Liberal Party are not supporting this legislation. There are several areas of concern. There is no allowance for rehabilitation training. There is no commitment that young offenders will be incarcerated separately from adults. There is no allowance for the establishment of a separate juvenile justice system.

I want to remind the House of the speech made by my colleague from York South—Weston earlier this week, on Monday morning. He stood up in this House and said: "This justice week is a scam. It is a public relations exercise. It is all tactics. It has no substance". We had an opportunity to address a very important piece of legislation to every region of this country. This Young Offenders Act is something that people in Canada are concerned about.

They send us here as legislators to craft legislation, not for tactical reasons but for substantial reasons. In terms of substance this bill does not pass the test of making protection of the public paramount. Those are not my words. They are the words of members of the metropolitan Toronto police force. We have consulted with them. We have listened to them. When you consult with people day in and day out and come back to Ottawa and do not listen to them they begin to wonder what is the point of being consulted if their advice is never taken.

The problem we have in this country right now is that this government has abused and destroyed the consultative process with Canadians. It has set up programs or commissions on issue after issue: the GST, the Spicer commission, the national unity commission and now we are about to get this prosperity and competitiveness consultation process. When you set up these programs and then do not listen to the advice or do listen but do not act upon the advice, what happens? The trust breaks down. We are seeing this trust break down with this government's consultative process right now. We saw it break down on the GST. We see that it is breaking down on national unity. God forbid, no one in this country wants it to break down. The same thing is going to happen on the Minister for International Trade's prosperity and competitive consultative process.

• (1400)

Here on a very important issue, young offenders, a very important piece of legislation, the government said it consulted, but it did not listen. It did not act in a substantive way on any of the advice, or very little of the advice that it was given.

As a result we in this party are not going to support this legislation. We are asking the government to withdraw it, come to its senses, start to rebuild some trust in this institution, realize that it is more than just a PR scam, it is more than just a tactical operation, it is more than a public relation show. Let us put some trust back into the system, and withdraw this bill.

I beg the government to listen to tne metropolitan Toronto police force. Give the men and women who walk the streets in my town the tools to do their job. Give the judges and the court system the tools to do their job so that we can make these streets clean again, not just in my city but in every other part of this country.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I would like to point out to the hon. member that it was precisely because of—

The Acting Speaker (Mr. Brightwell): On a point of order, the hon. member for North Island—Powell River.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I am again wanting to have my knowledge of the rules updated. There is a rotational process for questions and comments, I presume.

The Acting Speaker (Mr. Brightwell): I will recognize this member and have him speak and then I will recognize you, sir.

Mr. Nicholson: Mr. Speaker, I was speaking about the subject of consultation. I would like to point out to the House that it was precisely because people were telling us, including police, police associations and those who work with the juvenile justice and the criminal justice system, that some improvements could be made on the transfer provisions of youth from the youth system to the adult system. It was as a result of that consultation that we made clear in this bill that where the interests of keeping the youth in the system cannot be reconciled with the best interest of the public the interest of the public would prevail on the transfer.

I just have a simple question for the hon. member. What did Chief McCormack say specifically on the transfer provisions? As the hon. member for Port Moody—Coquitlam pointed out, this is not a rewriting of the Young Offenders Act. This is an improvement in certain areas of the Young Offenders Act. More will come. I have indicated to this House that I know it will receive the enthusiastic support from the Liberal Party and others as has our justice legislation this week.

Be that at is may, what did Chief McCormack have to say about the transfer provisions? I would like to ask the hon. member this as well. Will he follow the parliamentary tradition of, having once quoted from a document as he has quite extensively, tabling the document with the Chair?

Mr. Mills: Mr. Speaker, first of all as I mentioned earlier in my remarks this correspondence from the desk of the police chief, and I mentioned it was signed by Staff Superintendent Grant Waddell, I will be happy to submit to the table.

On the actual transfers, this specific piece of advice that I received from the metropolitan Toronto police force does not address that specifically.

An hon. member: It is a big gap.

Mr. Mills: The member says it is a big gap. I did say in my remarks that there were some things in this legislation. That does not change my mind at all. Just because there are one or two good things in the legislation, that is no reason to let the legislation go through. Also, the government is already talking about phase two of this legislation. Why enshrine legislation now if you are already admitting that it needs repair? Why not pull it back, fix it, listen, put the amendments in there so that we can all get behind the legislation?

The member smiles. I naturally defer to my justice critic, the member for Cape Breton—The Sydneys. It seems to me, if I understood his remarks, that if the bill were to address these substantive changes, these amendments, we in this party are not adverse to supporting the government on this legislation.

My goodness, just this week we see that the gun control legislation is illusory. It is not what the Minister of Justice said it was this morning on *Canada AM*.

I must give this government credit for one thing. On tactics it gets 10 out 10, but on substance, I will not even make the judgment. I will let the people of Canada judge. I believe that if this bill was withdrawn and we put some of these substantive changes in here the metropolitan Toronto police force is recommending—and I am sure it has had these discussions with many other police associations across Canada—then we on this side of the House would feel a lot better and we would probably get behind it. Is that not what the people of Canada want right now? Do they not want us to get involved in crafting legislation where we can somehow galvanize this country, where we can come together?

I see the critic for the New Democratic Party nodding his head in concurrence. Let us get a substantial piece of legislation crafted here so that people can be proud of this House again, rather than put through something that is nothing more than a public relations gesture.

Mr. Raymond Skelly (North Island—Powell River): Mr. Speaker, one of the things that is so important in the whole field of corrections is if the police, the court process, the prison system, the conditional release system tie together as a whole to push one part and not deal with the others, you might as well forget it.

The bill today is a public relations exercise that will be accepted. I wonder if the previous speaker would agree that correctional facilities to which these young people are charged in Canada do not protect society and they do not correct offenders. Anyone who survives a prison experience and does not become a recidivist should never have gone in the first place. There were far better and more effective mechanisms to deal with them.

Prisons are one of the unsafest places in the world. I happened to work in one while I was going through university for three years, as a correction and security officer. There is no law in a jail. You do not catch these people, but there are sexual assaults, physical assaults, robbery, extortion and it is one of the most violent, unlawful, unsafe places in the world. When anyone goes there, their life is in jeopardy from the time they go in until the time they come out.

It destroys any positive values of persons who go to the institution because they join with a group of people who believe they are wrongly there. They have no contact with the consequences of their offence and the victims. They usually go there because they have no societal support system. Their only support system is their fellow inmates with a value system that is absolutely wrong, one that they quickly learn.

These people who go to jails go because they have no family, no positive social supports. They are in serious jeopardy of becoming worse instead of better.

The government's restraint program involves staff cuts, failure to provide professional support systems in jails. You do not get psychiatric treatment in any effective way. You do not get counselling in any effective way. You do not get treatment and you do not get corrected.

Working staff ratios in prisons of correctional officer to inmate run 100 to one if you are lucky. As a working correctional officer, I needed the inmates to run the units I ran. If I did not use the inmates, the whole unit turned on me because those inmate leaders who committed the assaults, who did the robbing and extorting, then turned the other 100 inmates on me, and every other correctional officer is in exactly the same position. Therefore you let the offenders and the others run the institution. If you did not, you would not run it.

• (1410)

Staff need inmates to run those institutions. There are not enough of them to do it effectively themselves. Staff, police and correctional officers develop a disease which I call "scum of the earthitis". You had to believe that the people you were dealing with were the scum of the earth in order to do some of the things that were done to them.

Basically, because of the restraint programs of this government and because of single public relations exercises, this is bound to failure. This does not address the needs of the entire system to protect society and reform offenders. Would the member agree?

Mr. Mills: Mr. Speaker, I will give a short answer.

Here is a perfect example of where this House of Commons is just upside down. No wonder people consider this place irrelevant. I am not a lawyer. I am a small businessman who happened to get lucky because he knocked on a few doors and listened to people.

Here is a member of Parliament who has probably had more experience in working with the correctional service system than anyone else in this House. How can we not listen to his point of view? We do not need to go out, hire consultants and spend millions of dollars. I can only agree with the hon. member. I think his experience, his observations and his recommendations should be plugged right into the amendments of this act.

That is the kind of thing that would make this legislation something of substance.

Mr. Skelly (North Island—Powell River): Mr. Speaker, I want to make a few comments on this bill. I have had some experience in the correctional system in Canada, and as a result of it through the conditional release system and the police system in which the three are an organic whole along with the courts.

The hon. member for Esquimalt—Juan de Fuca and my brother from Comox—Alberni have also worked in the correctional system and do have a good broad base in it.

The point I would like to make is that the Young Offenders Act deals with murder. I think my colleague overstates the case when he says it deals with one-fortieth of one per cent. It is probably not even that high.

Given the absolutely small, narrow scope of this bill, it is a real tragedy. In every community I represent, property offences are rampant. They are absolutely rampant. They break into businesses and steal all kinds of goods. They break into homes and steal. They break into automobiles, and it is just of epidemic proportion.

What is happening is that we do not have enough police. We do not have enough public consciousness in those communities to stop them. The most rampant offences are property offences.

In one of the communities in discussing with the RCMP the matter, it said that if we could remove six young people from the system who we know are doing it, we could end half the property offences in the community: six young people.

He said that they are all repeat offenders, and he said: "We know exactly who they are, but catching them is a terrible problem. Not only that, once we have them, dealing with them is even worse of a problem".

This bill does not protect citizens from crime. It increases a penalty for murder. Once they go to a correctional facility, society is not protected because they come out. They still do not have the support systems and there is no effective treatment. The chance for repetition is certainly there.

It misses the mark because of the epidemic proportion of property crimes, the fact that police know who the offenders are and we in this Parliament have hamstrung their ability to deal with them. We have to correct that and stop this nonsense about PR.

I had the occasion to sit on a family court committee in Courtenay, B.C. for a period. I chaired it for a while. The judge who dealt with it was an individual who was sentencing young people to what he thought was an institution that unfortunately had been closed years before. When it was pointed out to him that he was sending them to an adult institution, he was shocked. He had thought it was for young people, and in fact he was sending these young offenders to an adult institution.

I am sceptical that judges have enough background. They tend to rely quickly on things like incarceration of offenders. I think there is the matter of education and experience of judges with the correctional system. That is sorely needed. It does not protect society. Those people come before them again and again. But we do not place very much in the hands of the courts either in terms of flexibility.

I think we have to look hard at the tools we provide the courts with. Definitely prison sentencing has to be there. I am one who believes that in an appropriate institution we should probably sentence people to the maximum sentence possible. The judge may have an opportunity to state the minimum time that the person should spend there, but also the maximum, and we should make it very easy for conditional release.

Under conditional release the person finds a sponsor who will support them to return to the community, because so many of the people who go to jail have no social support system other than other offenders. Their parental control has fallen apart. The school control system has fallen apart and their friends, their source of values, their source of incentive wind up being other offenders. That is a serious problem.

An offender who goes to jail must have the responsibility of planning a conditional release program. The person has to take responsibility for that. The longer the sentence, the more incentive there is going to be to plan an acceptable release program.

An offender needs a sponsor, somebody who has the general acceptance of the community. The old Borstal system in English that was transferred into some areas of Canada had the most successful recovery rate for offenders because it did rely on a sponsor system. The sponsor

and the inmate worked out the conditional release program. It involved employment, education, where to live, who the contacts would be, and a gradual step by step process by which the person had a very positive individual to work with. That kind of a commitment on the part of an offender to find a sponsor, somebody who will befriend them, assist them, and to work out an acceptable release program is certainly going to be a positive move forward in helping that offender not to repeat again.

Before a person goes to jail, compensation and restitution have to be part of the system. The offender must confront the victim, if it is acceptable on the part of the victim, and there has to be some form of compensation and restitution. It certainly deals a lot more heavily with the offender, the consequences of the offence, and it is an absolutely important thing.

In terms of giving the court tools, longer sentences where there is a much easier opportunity for acceptable conditional release would be a very positive move. Offenders who decide they do not want to become involved in working out pre-release arrangements that are acceptable certainly will spend a longer period of time in there and will be exposed to treatment over a longer period of time, and there is an incentive to change.

What appears to occur in correctional institutions is that those who are convicted and have short sentences say: "I would rather serve my full sentence and avoid conditions when I leave, rather than get tied up in a parole system and long conditional releases". It is not in the interest of society to have that happen. It is not in the interest of society not to have offenders appreciate the full nature and consequences of the act they have done by being able to avoid the victim in the situation.

I have already made my remarks about the correctional system, and I would like to repeat them in part. Correctional institutions do not protect society because offenders are released. They do not correct offenders because they are not provided with enough money by the government, this government or previous governments. Some of the lowest salaries, I would assume, in the government are probably paid to correctional workers. Staff training and the ability to obtain professional help in the form of psychiatrists, counsellors and others generally are very limited.

• (1420)

If we are going to deal with young offenders, we have to address the court system. We have to address the number of police. We have to address programs within the society. We also have to put some support into the correctional system and demand from the correctional system some accountability in making sure that the recidivism rate drops. If it does not they are not doing it correctly. If we do not provide them with the resources it is not happening correctly.

They are the unsafest places in the world. We cannot guarantee the safety of an inmate. I had an experience of travelling through the unit one morning after working night shift and finding an individual who had his head severely pounded by his fellow inmates who decided to put rocks in a sock and beat the can off the individual. There are hundreds and hundreds of these stories where somebody goes into a stairwell and does not come out the other end. They have either received a knife or a terrible beating because of some problem.

We cannot guarantee safety. One night in the institution on parade, as we were getting a briefing on the circumstances, the sergeant in charge said: "There are 100 knives missing from the kitchen tonight. The institution is not upset. It does not feel upset, but there are 100 knives floating around in there". It was an interesting shift. There is no way of guaranteeing the protection of the people who are confined there.

The value system is very important. Everybody serving time in jail believes they are there on what is called a bum, that they have been placed there incorrectly and improperly, that they were not responsible for what happened. Every other person is convinced of that. It is the easy road to believe. The accountability of anyone who goes there diminishes and it is the other side's responsibility. That is a very unhealthy thing to happen in terms of correcting an offender.

Again talking to staff is a punishable offence in the inmate community, so you do not befriend staff members who are working with ratios of 100 to 1. You do not communicate in any confidential way with staff members. Your confidants, your communicators and your people who set your value system for a number of years are the other offenders of the institution. It is an extremely unhealthy situation.

There needs to be far greater flexibility in terms of conditional release. When inmates are ready to go they should be released immediately. Maybe the prison administrators need more authority. Then when persons have worked out a conditional release arrangement, have found a sponsor, have found a training program and an acceptable set of conditions to go back to society and try to make, they should not have to wait for an extended parole board operation. Inmates held up for three to six months. Once the program is in place there should be a way of letting them out to try a fast tracking of the arrangement.

Those things are coming into place but when they get out there, there seems to be very little effective supervision. If we limit the number in a restraint program of probation officers, if we do not involve parents and sponsors effectively, we are not going to be successful because they are going to gravitate back to their friends who have been released from the institution and the people who got them into difficulty in the beginning. The cycle will begin again.

The failure to provide adequate supervision and adequate resources after release or while on conditional release certainly mitigates against protecting society, correcting an offender, and brings us right back into the cycle again.

The Young Offenders Act changes today are just a very small window dressing aspect of this entire problem. It would be useful I think to very frustrated police forces in Canada if the recommendations of the member for Broadview—Greenwood were incorporated and if a great deal more attention was given by this House to placing in the hands of the courts more flexibility in sentencing and to more resources for the institutions that treat these people so that they can protect their lives while they are in there, that we do not see a massive erosion in their value system and that they can effectively plan a conditional release program.

The probation and parole supervision system should be supported with enough people and enough resources so that when offenders are released on conditional release there is half a fighting chance that they can get out in society and correct their behaviour.

It is a subject of long-standing frustration. It is not a matter of a bleeding heart. I believe offenders should be forced to face the consequences of their act fully, that they should be required to make restitution and compensation to victims. We should provide the resources and the incentives for them to return to society and work at self-correction.

One of the areas where we are missing an opportunity is that of much longer sentences. If an offender refuses to work out an acceptable conditional release program and refuses to work to develop the support in society that will make them positive citizens then they will have to stay in the institution until they are prepared to do so.

Mr. Tom Wappel (Scarborough West): Madam Speaker, I listened very carefully to the comments of the hon. member because he referred us to his own personal experiences. I am sure I am not the only one who was dismayed to hear about the conditions in prisons that the hon. member has personally experienced. That is a great tragedy and I think most Canadians would be extremely disheartened to learn that there appears to be no order in the prisons of today.

I do not want to talk about prisons. I want to talk about young offenders. My question is addressed to the member based on his experiences.

I gather that the point the member was making is that: "You cannot guarantee the safety of an inmate because of their own law within the prison". We are certainly in agreement that young offenders should not be placed in an environment like that.

If we have correctional facilities set apart for young offenders would it not be the same sort of law and the same type of behaviour, only with younger people? What sort of protection could be offered in that kind of facility to ensure that those young offenders in a correctional facility devoted solely to them would not in fact become merely a younger mirror image of the place where the hon. member worked?

I hope the hon. member will have constructive comments on that.

Mr. Skelly (North Island—Powell River): Madam Speaker, the correctional institution at Haney was in its day one of the leading institutions in Canada. The first warden of the place is probably still kicking around in the federal correctional system.

It aimed at treatment of offenders from age 14 to 25. The oldest individual was 25. At one point we had somebody who was 40 and was very carefully selected before being allowed to go there. It usually involved special training and education.

Most of the crime in society is committed by younger people. Some of the worst crimes that I have ever heard of, or had the misfortune to open the folders on, were committed by teenagers who wound up in that institution. Those people were responsible for the most violent assaults; they had that kind of value system. Clifford Olson was an inmate of that institution. For 10 years afterwards I read in the paper of people who came out of there and promptly went into the B.C. penitentiary, having murdered people and committed all sorts of offences.

At the beginning it was a school for the penitentiary. There were incredible tragedies in the place. It was basically young offenders inflicting the kinds of things I was talking about on other young offenders.

The failure in the place was the staff to inmate ratio. You cannot do anything when you are dealing with 500 inmates. On an afternoon or night shift after program we were looking at eight staff for 500 inmates. I can remember being left in the movie theatre with seven other colleagues and 500 inmates. There were not enough staff to cover the lights and the projection room. We were locked in and there were four other staff and the administrator outside patrolling the outside areas. When the order in the dark broke down there were eight of us and 500 inmates.

• (1430)

I was under the impression that they were going to be peeling us off the wall by the time the RCMP finally got in and broke it up. When you are dealing with effective working staff ratios of 100 to 1 you cannot do anything effective. In many cases you need the leaders of the unit to assist you in keeping it running. That is a common technique staff use to survive.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I want to ask the hon. member a question. I listened to his speech and I was very impressed, particularly with the fact that he has actually gone through it. It was not second hand or third hand. He has actually experienced it. It was quite informative. I wanted him to reiterate whether he thought, particularly with respect to young people, there is any rehabilitative function at all in prison if they do not get organized rehabilitation and counselling from properly trained officials. Is there any rehabilitative nature in prisons at all?

Mr. Skelly (North Island—Powell River): Over a three-year period it dealt with a very large number of people. One of the most violent people I have ever known was one of the hardest workers. He was one of the most respectable individuals but under a stress condition he lost it. He was about 18 years old, a very large strapping guy. The chance that he would go out and kill somebody was very high. He was in for an auto theft on a very short sentence. He was a problem that was going to create a problem for society but nobody could do anything. It was like having a bomb going out on to the street.

Six people were drunk, broke into an A & W, attempted to fry up some hamburgers and were too drunk to accomplish the task. The judge sentenced them to almost 18 months in jail for that offence. The cost to the public was terrible. The destruction of whatever faith they had in the value system was nearly complete. One of them almost killed himself because he developed a habit of sniffing gas.

Rehabilitation is directly related to quickly catching their interest in getting released with an acceptable plan, in trying to develop in a failed family the supports to get that individual out of jail. The faster you can get them out of jail, the better off society is going to be.

I had the impression when I worked there that if we released every single person the crime rate would not go up appreciably.

Mr. Ian Waddell (Port Moody—Coquitlam): Like the other members, I found the member's comments from first-hand experience fascinating.

One of the things that twigged my mind was the role of victims. I wondered whether they felt anything toward their victims or whether the victims could be brought into the process. About a month ago when I was coming home I saw a policeman in front of my apartment building and I thought "Oh, no".

I went in and my apartment had been broken into. They had caught the culprit right in the living room, arrested him and took him away. I have never seen him. I heard it was a young man. I do not know who it is. I lost a couple of small things, like my TV. Luckily that is all I lost because they caught him. However they took that away as evidence. They never called me, never talked to me. The police have not contacted me. I never got any of the things back. As a victim there has been no connection at all with the attempted robbery.

I wonder if the hon. member can tell me if he has had any experience in terms of how the inmates feel about their victims, how we could bring the victim into the process and maybe how the police could start talking to the victims.

Mr. Skelly (North Island—Powell River): I have a couple of thoughts. I do not think a short jail sentence particularly bothers a person that has been there before. In Okalla there was a phenomenon around Christmas time when it is cold out on the street and they do not have a square meal if they are poor. So they threw a rock through a window. The first time they would get 30 days, then 60 days and then 90 days. A group of people in Vancouver used to call it "doing life on the instalment plan". It provided them with room and board and a good job and all their old friends.

Going to jail and not confronting the victim almost eases the penalty in some cases for the offender because the personal problem of having to confront a victim in some cases is more threatening, more guilt generating than going to jail.

In the area I represent just recently two people spent 30 and 60 days in jail for some nasty property offences. They got out and it became a badge in the rest of the community for them to say "I have been to jail". It enhances their status and prestige. Confronting the victims and being forced to discuss the nature of the offence and what would be appropriate restitution could be far more threatening than a short period of incarceration.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I would like to start by thanking my colleague from Cape Breton—The Sydneys for giving me this opportunity to speak on Bill C-12, the proposed amendment to the Young Offenders Act.

The bill focuses mainly on, first, easing the criteria under which applications for transfer to adult court are to be judged by the youth court. For example, transfer would be more easily obtained.

Second, it would increase the maximum period of incarceration for first and second degree murder from three years to five years less a day. This would eliminate the need for jury trial.

Third, for the first time the youth court could deal with parole eligibility and could set the conditions for conditional supervision for those charged with murder.

Looking at those points, there seems to be a shift away from treatment and rehabilitation to protection of society or enforcement of the law.

The reason I wanted to speak on this bill is twofold. First, there is the question of the United Nations resolution on the rights of the child. Canada's role in fulfilling its commitment, in particular section 37(c) of the charter, would not be fulfilled unless Canada guarantees a separate facility for youths and adults.

Somewhere in this bill the government has to make sure that the criteria are met. It is my belief that the government will come up with a reservation on this particular point. Looking at the Young Offenders Act it does not seem to be evident to me that the government will be able to fulfil its commitment.

It is my hope that whatever those reservations are the government will proceed with the ratifying the charter and will fulfil its commitment internationally.

The latest Statistics Canada report, which was published in the spring of 1991, indicates that youths between the ages of 12 and 17 were responsible for nearly 25 per cent of all Criminal Code offences, as violent crime in Canada reached an all-time high. Nationally the 1991 violent crime rate is about 1,012 offences per 100,000 population, which is the highest in the history of Canada.

Approximately 20,000 more violent crimes were committed this year over last year. For instance, British Columbia, which had the highest rate, had approximately 15,000 incidents per 100,000 population. Ontario had approximately 9,500 per 100,000. That is quite alarming.

• (1440)

As my previous colleague indicated, the property crime rate rose by about 7 per cent last year to approximately 5,869 incidents per 100,000 population.

If you look at the total number of incidents or the total number of people who got in trouble, youths between the ages of 12 and 17, in 1990–91 there were 38,000 defendants that age who appeared in youth court.

They faced approximately 118,000 charges. That is approximately 4 per cent over the last year. If you look at the population in Canada, the youth between the ages of 12 and 17, we have close to 1.125 million. Females, we have approximately 1,069,500. This is a total of approximately 2.195 million males and females between the ages of 12 and 17.

Thirty–eight thousand is quite a number of people who get in trouble. If you look at the crimes that were committed, charges have risen by 20 per cent over the past five years while the majority of those were committed in property crimes. Fifty–eight per cent of all charges relate to properties.

The rest of the crimes involve breaches of probation orders, drug offences and a variety of miscellaneous offences. The sad thing about this whole situation is that 70 per cent of those cases produced a guilty verdict with probation.

The most common sentence in a jail or a half–way house is only 25 per cent of those cases. While this is an interesting statistic, it is my suggestion that jail is not doing the job. I will remind you of a study which was done by Professor Handleby who looked at the province of Ontario.

He said that in the first study ever of its kind, actually 17 years survey of males first incarcerated under the Ontario training system, there was a 90 per cent failure rate. It is a 90 per cent failure rate.

Among the 150 young inmates originally interviewed in 1970 when they were aged 12 to 14, only 9 per cent incurred no subsequent conviction, according to Mr. Handleby. He is saying that in fact in 1987, when he did the tracking of 97 per cent of those original groups, he learned that they had accumulated in excess of 2,261 convictions since they turned 16. This is an average of more than 15 each, ranging from drug possession to murder.

In fact, 48 per cent of the original 150 or 72 individuals had committed violent crimes. In general, the survey concluded that the earlier the age at which the youth breaks the law, the more likely he will go on to offend again. That was the result of the finding.

It looked like dealing with the problem after it occurred. It does not seem to address the question at hand and does not seem to be producing the solutions we are interested in.

What I think is extremely important for us is to look at the people we are dealing with to see who they are and where they are coming from. According to information which we were able to obtain from the province of Ontario, the ministry of social services looked at the profile of kids who get in trouble. They were able to identify 12 characteristics which I would like to share with you, Madam Speaker, and with Canadians.

The first characteristic of a young offender is that he or she will come from a lower class origin. In fact, 65 per cent of parents of kids who get in trouble have less than grade 10 education.

The second one is they look at problems in the family of origin, for example, long–term reliance on welfare; criminality in family of origin, for example the parents, siblings, other relatives; multiple psychological handicaps, low verbal intelligence.

Third, the ministry indicates that the profile of kids that get into trouble shows personal temperament, attitude and early behavioural history. They looked at the issue of aggression, restless energy, the impulsive, the adventurous and a taste for taking risk and again, below average verbal intelligence, poor problem solving, coping, self–regulation skills.

Fourth, they indicated early and current family conditions again repeat itself, low level of affection, cohesiveness, low level of supervision and poor discipline, neglect, abuse.

Fifth, which is in my view one of the most important ones, school based risk factors, below average efforts, lack of interest, being bored, not worrying about occupational future, conduct problems.

Sixth, schooling again, personal, educational, vocational, socio–economic achievement and they indicated the low level achieved in education, for adults long periods of unemployment, reliance on welfare.

Seventh, interpersonal relationships, generalized indifference to opinion of others, weak effective ties, for adults an unstable marital history.

Eighth, companions, association with anti-social, drug using others, isolation from non-criminal others.

Ninth, personal attitude, values, belief, feelings.

Tenth, behavioural history, criminal history, juvenile and adults.

Eleventh, psycho-pathology.

Twelfth, other risk factors, being male for instance, being young, 14 to 24 and a variety of other issues.

Just looking at all of those 12 points, there is one thing I think that jumps in front of everybody in this Chamber. There is one leading factor, that most of those kids are coming from a low income family, where the family's education is less than grade 10, 65 per cent of them. Those kids are not going to school. In every single one of these 12 elements, directly and indirectly, one would conclude without question that lack of education is the leading cause of the fact that we have the situation we are in right now with young offenders.

That is why in our society rather than all the time dealing with the problem itself, we have to try to find a solution to the problem and go right to the source. It is fine if I have a headache and I take an aspirin, but I think it is far more important for me to deal with the problem at the source in preventing the headache.

That would lead me to some of the examples in my community, what the people who are enforcing the law are doing at the same time. I am going to take the example of the Ottawa police force under the leadership of Chief Tom Flanagan. It has embarked on a most magnificent ventures, that is crime prevention as it relates to youth.

In May 1990 the Ottawa police force established a youth centre. The youth centre was established to provide a facility where area youths could participate in activities supervised by volunteer police officers. The objective of this was to provide a range of activities that challenged youth of all ages and to provide a safe recreational environment that encourages team work and enjoyment, to encourage local residents and non-police volunteers to participate and promote a better understanding between youth and police.

• (1450)

You may ask if this is the role of the police force, to be involved in recreational activities. Well, just hang on. The initial start-up fund for this particular centre was received from the city of Ottawa, the Ottawa Police Commission, service clubs, which is the private sector, and various concerned members of the community. The centre is located in a renovated old fire station provided free of charge by the city of Ottawa at 1463 Prince of Wales at the corner of Meadowlands Drive. This location, and this is the most important point of this whole debate, was chosen because of its close proximity to a housing project, an area with a long history of police enforcement. It is hoped that this police initiative will allow area youth to relate to police members in a positive environment.

Some of the things that the youths in that area will do at the centre is play volleyball, basketball, ball hockey, broomball, football, soccer, boxing, weight-lifting, table tennis, pool, and various social activities are also available such as field trips, movie nights and dances. Many of the youths use the centre on a drop-in basis to meet their friends and, more important than anything, as a hanging out centre.

In this area, approximately 150 youths, predominantly male between the age of 7 to 16, attend on a regular basis with 50 every day on the average, every evening, and approximately 90 per cent of them live in the surrounding area.

The Ottawa police looked at the geography and demography of the area and set up a centre in order to recruit kids to come to that centre so it would be a joint venture between the Ottawa police force and the community so they can create some sort of an environment for these kids to go and hang out.

In this centre they have two paid positions. Funding is provided, in some cases, by local businesses and they have many off-duty police officers. We also have a community college which is involved with the police force. Constable Brian Edge of our Ottawa police force is the police liaison officer for the youth centre and oversees the facility. He reports to Bruce Harrison who is in charge of this department.

The reason why I want to give this example is to tell you how proud I am of members of our police force not only looking at the letter of the law, but by going beyond the call of duty and recognizing, because they are like my

colleague from the other side of the House, the need for preventive measures before the problem occurs. They do this on their own time and at their own expense, giving unselfishly so that they can deal with the problem.

Why can they not spend more? The funding is the question which my colleague from Cape Breton and my colleague from Broadview—Greenwood spoke about many, many times, saying that funding is a key question when it comes to preventive measures.

There is one segment which is extremely important and which I have an interest in. We as a society do not recognize the magnitude of the problem when it comes to our youth. Here are some shocking statistics. A Senate committee published a report indicating that over the next 20 years approximately 187,000 children will quit school because of the effect of no money at home. For the purpose of this analysis consider them simply as an economic unit which will affect our national well-being for good or bad.

The report goes on and is bad, as it turns out. These 187,000 dropouts will cost the federal and provincial treasuries about $7.2 billion in income tax.

In addition they will cost the rest of us another $1.15 billion in foregone consumption taxes such as the terrible GST. Our society will lose $220 million in reduced unemployment insurance contributions as a result of poverty shaping these units. Furthermore, it will cost us $660 million in increased unemployment insurance cheques and another $710 million in extra welfare bills.

I am going to move on very quickly and tell the House that Canada's Gross National Product will be cut by an estimated $23 billion in lost income from these 187,000 unproductive units, these 187,000 kids who are leaving school. The total national bill for these poverty induced dropouts will come to $33 billion.

Here is the conclusion. The report argues that spending $5 billion over those 20 years on things like classroom assistants, child and youth workers, other skilled people, hot lunch programs and proven techniques to build the self-esteem of low income children could erase that $33 billion cost.

Imagine, a $33 billion return on an investment of $5 billion over 20 years. That is better than the best of blue chips. For a nation that is already overspending at the rate of $30 billion a year and that has a national debt rapidly approach $400 billion, surely we could spend the $5 billion to deal effectively with the incredible question of illiteracy and dropouts in our society.

Mrs. Beryl Gaffney (Nepean): Madam Speaker, I was very pleased to listen closely to the comments of my colleague from Ottawa Centre on the proposed amendments to the Young Offenders Act. I listened to him talk about the shift away from treatment and rehabilitation and about the high rate of offences by youth between the ages of 12, 17 and in many cases even younger than 12. He went on to talk about the city of Ottawa and what the city's programs are doing to deal with these kinds of offences and with these young people.

Something I might like to add is that it could be my child or your child. It is not necessarily always somebody else's child and it is not necessarily somebody from a low income family.

If I could relate back to my own riding where the average income is probably slightly higher than the national average, the police service department in our community has had to recognize a very serious problem with our young people. It has done something very similar to what the city of Ottawa police department has done. In the community of Barrhaven it has set up a youth centre in the Walter Baker Centre. Many people will remember that Walter Baker was an esteemed member of this House of Commons who unfortunately died a few years ago.

The people of the community are involved as is the police department. They act almost as sheriffs or policemen. They are community members. They could be young people. They could be parents or whomever. They are set up within this centre. It has been a year in operation now and it is very successful.

I just found out this week that we are in the process of setting up another one in the Bayshore community. The Bayshore community is an entirely different community from Barrhaven. Barrhaven consists mainly of young people whose parents are professionals. Bayshore is an apartment building area and it is in the process of being set up in that area. Again the community will be involved.

• (1500)

I want to ask the member a question. He was talking about a shift away from treatment and rehabilitation. I know he is very familiar with the Youth Services Bureau as I am in this area too and the type of work it does. I think there are other centres across Canada. They have drug and alcohol programs for children who come from abusive family relationships, where the child has to be taken from that home and put into a centre. What is sad is that these centres and these resources all take money; they are a tremendous drain on the community. Obviously they have to rely on government for assistance to keep the programs going.

I am sure the member's city of Ottawa and mine of Nepean are probably not the only ones in this country that are doing this. Many communities are probably doing what we are doing—

Madam Deputy Speaker: I am sorry, but I have to interrupt the hon. member. The next time we do study this bill, she will have the floor and there will be approximately five minutes for the hon. member for Ottawa Centre to answer.

PRIVATE MEMBERS' BUSINESS

[*English*]

AGRICULTURE

FARM INCOME

Mr. Vic Althouse (Mackenzie) moved:

That, in the opinion of this House, the government should consider the advisability of establishing marketing boards, income plans and price guarantees to ensure that income gaps within the farming community are narrowed and to ensure a continued supply of quality foodstuffs at reasonable and stable prices.

He said: Madam Speaker, today I want to discuss some of the background to the farm situation that has been coming before this House quite often. We have been hearing questions for a long time but particularly as the net farm income problem gets worse in this country. I only mention that because it seems to me that while we hear about it an awful lot in Question Period, in Private Members' Business and on opposition days, I am not sure that we always realize the background to the problem.

I am putting this motion before the House so that as private members we can give range to some ideas from all sides of the House to see if we cannot come up with some other solutions to the so-called income problem.

I do not think we have to spend too much time convincing ourselves that there is in fact an income problem. The projections for the 1991 calendar year project net farms income of just over $3.75 billion. That is down from the actual figures in 1989 of $4.8 billion. In 1988 we had $3.6 billion. In 1987 we had $4.1 billion. In 1986 we had $4.4 billion.

In other words that is six years of barely adequate incomes. We have had a great many bankruptcies and communities feeling extreme financial stress during those years from 1986 to 1991. Yet this year's projected net farm income, after all government programs have been factored in, is expected to be about $3.27 billion, down from almost $5 billion just two years ago. Of this projected $3.27 billion, $2.9 billion of that comes from government payments, which leaves less than $500 million arrived at from the market. So we begin to see, I hope, that there is a real problem out there. The answer is not simply for government to leave farmers to their own devices and sign a free trade arrangement at the GATT where it will swear an agreement that it will no longer provide assistance to farmers. There has to be something more; the over-all problem must be looked at.

The government proposes that a free trade agreement world-wide or with the 107 or 108 countries that are part of the GATT will be the solution. Some academics point out that is not much of a solution. They have done the econometric models with 100 per cent backing away from subsidies and tariffs. They say that world prices of grains and oilseeds will only rise at a maximum of 12 per cent.

Canadian data show the current proposal of 30 per cent reductions might produce an increase of about 4.8 per cent or 5 per cent. This is not enough to make any difference to the net income of Canada's farms.

So what is wrong? Government members are saying that it is a trade war. It is all Europe's fault. Other members in the House point out that the U.S. actions are not exactly Simon Pure either. We have to recognize that Canada has been caught up in responding to a lot of the same political realities that the Europeans and the Americans have put forward.

It seems to me that we are playing with a problem and a misunderstanding of agriculture that have been haunting this sector for many years. Agriculture has only been in existence on this planet for probably 5,000 or 6,000 years. Before that civilizations developed as hunter-gatherer societies. They let nature do the production and the people gathered the crops that were produced.

It was not until about 5,000 or 6,000 years ago that people began intervening and planting the seeds, growing the crops and cultivating them.

Why is it important? In Canada's economy it is extremely important because between 23 and 24 per cent of our Gross National Product has its beginnings in agriculture. Almost 24 per cent of the people who are employed in our economy would not be there if there was no food to process or transport or produce or retail or wholesale. Almost 24 per cent of the jobs in this country would not exist if we stopped producing our own food. We could probably handle imported food with 4 per cent or 5 per cent of the labour force as long as we could trust the supplies from all around the globe. We do not need to be rocket scientists or very clever economists to understand that the price of those imported foodstuffs would be much higher than they would be grown close to home.

All of this 25 per cent of our Gross Domestic Product is dependent on the production of slightly less than 3 per cent of the population who are farmers. They look after the land and the primary food production in this country.

Why do we get into these difficulties? Every 10 or 15 years we get into this sort of crisis. I think part of it lies in the fact that the industry is badly misunderstood by academics, politicians and business leaders and has been for a long time. We go back to the beginnings of the middle of the age of enlightenment and we have the parlour experts like Malthus who produced a well thought theory that said that as populations increased the world would eventually starve to death. He proved by mathematical formula that the population of people rose in a geometric progression and the ability to increase food production was only arithmetic. This was false. There is nothing in recent history or even back in the 17th and 18th centuries when this was very popular to prove that had any validity.

• (1510)

Farm people have been able to find all sorts of ways of producing surpluses on little spaces of ground where they should not be able to produce surpluses. We only have to look at recent events.

The country of China is the most populous country on the globe. It was considered a half a century ago to be unable to ever produce enough food to sustain the more than a billion people which it has now as a population. They are self-sufficient in food.

They simply changed the way that they did it. They changed some of the priorities of their society. They made the production of food something that was considered a worthy task and they paid accordingly. The food cycle works in that country.

That is an emerging developing country that has been able to do that. Look at some of the highly technical countries like those of the European Economic Community. Two decades ago the EEC was considered to be a food importer forever. It is considered by this country, Australia, New Zealand and the countries that have a low population and big land base with productivity factors for agricultural production, to be a perpetual market for their foodstuffs.

The Europeans noted that there are some big advantages to their own internal economies if they are self-sustaining in food because of the kind of factors that I will be mentioning shortly. If you take a relatively low cost food product and process it and take it through the economic system, you find that its value has increased many times and has provided wages and work and profits for literally hundreds of people.

They saw it as an engine of growth for their economy so they paid their producers very well to produce enough food to make them self-sufficient in the basic foodstuffs. That economy has emerged as one of the power groups on the globe today.

Another power group in the global economy is Japan. It is considered probably the pre-eminent industrial society on the globe today. When you look at the basic economic realities of their agriculture and their agricultural policy you find what for a lot of people is a surprising fact.

Japan is virtually self-sufficient in the production of food. It produces enough rice to feed itself and to meet its basic needs. Their fishermen can go out to sea and provide enough protein supplement in the form of products from the sea to meet the protein requirements. They have met their basic protein and hydrocarbon necessities within those small islands. As densely populated as they are, they are virtually self-sufficient in food.

Current parlour experts are saying that supply side economics will look after things. If we only have free trade everything will come to a harmonious balance. I think we should be looking again at the advice they are giving. Those nations which have ignored that advice are the nations that are the most profitable, the most prosperous, have the highest living standards and the most likelihood of a good and continuing future.

Why is Canada not looking at some of the examples of the Japanese and the Europeans instead of toying with a new parlour set of economics like supply side economics where we are attempting to let the market determine things by producing an excess of supply in order to keep things going.

One of the difficulties with this whole theory is that it cannot be sustained. The ultimate end of such an economic cycle is a continued downturn in incomes, in living standards and in future prospects.

If you want to see how the policy is affecting farmers you only have to go back and look at the net income figures that I have placed before the House just a moment ago.

The figures put out by Statistics Canada on agriculture show that net farm incomes have been declining consistently for the last six or seven years. That is the result of this kind of a policy.

What would happen if we followed the European or the Japanese example? Let us take a couple of cases. Let us look at something that was raised at one of the farm rallies in Saskatchewan over the last month. One woman stood up and mentioned to the assembled farmers that her family had been very fortunate this year in being able to sell a carload of malting barley for which they will get after all government payments and final payments approximately $8,000. This is for about 3,500 bushels of barley.

That barley when turned into beer, which is what it is going to be used for, will produce 1.3 million glasses of beer. The taxation revenue from that carload of barley or those 1.3 million glasses of beer will be just over $200,000. In other words, if the Government of Canada needed another $1 million all it would have to do is process five carloads of barley, which would easily fit in this Chamber. There would be $1 million worth of tax revenue generated but the farmers would get under $40,000 for their effort, for which they paid all of their costs for fertilizer, fuel, land rental and so on. They are not getting enough to have anything left over to feed or raise their families.

Wheat is now selling at $2 a bushel, which means that for a $1 loaf of bread less than 4 cents goes to the farmer. The other 96 cents of that loaf of bread goes to the people who are responsible for the transportation, processing and the packaging. In fact the package costs several times more than what the farmer got for the original wheat.

If that carload of barley generated over $250,000 worth of product, why is it only worth $8,000? What happens to the economy if they decide that they are going to finally have to stop producing the barley and over $500,000 worth of economic activity goes down the drain for want of a few dollars to keep a farmer producing the original product?

The market economy that we live in on a global basis is much more complex than these examples. However I think the House gets the idea about what can be obtained. The very complex societies like the European and the Japanese have fallen on this with a vengeance. They have put it to good use in their societies to keep both people and their social and environmental structures current in their particular landscape.

The reality we have to face in the kind of markets that have developed world-wide is that most of the trade in grain and food products is dominated by multinational corporations. They are pressing very hard for nation states to do away with boundaries and any regulations or controls that will have any effect on their ability to trade between nation states. They want to be completely free of any government control or influence of any type. The

free trade agreements being touted around the world right now will permit that.

What does it do to the rural communities, to the farmers, or indeed to those same nation states when such a regime is in place? It means that they have very little bargaining power and there is virtually no prospect for a firm and secure future for those nation states, those communities or those farm people.

• (1520)

We have no method of counteracting the power of these large multinational corporations in the marketplace, many of which have larger gross revenues than the gross domestic products of most of the world's countries.

With this motion I am proposing that we take a more serious look at the establishment of marketing boards and have permissive legislation so that farmers can group together and face these large entities in the marketplace on more equal terms.

I am suggesting that governments should be more cognizant of the role that the food producer plays in providing the basic impetus for the economy, particularly in that one-quarter of the economy is food based.

I am suggesting that some new approaches have to be raised and discussed. Until we change the policy direction this country has been following, rural communities and their farm people cannot survive. We have to look at something like I am proposing in this motion.

Mr. John E. Cole (York—Simcoe): Madam Speaker, I just wanted to make a few brief comments with regard to the motion put forward by the member for Mackenzie. I know that he has spent a lot of time studying this issue and certainly relates to it very well. It is important that a number of things be outlined as to what is happening with the government and the agricultural policy in Canada.

As I read the motion the inference is that nothing is really happening. We talk about considering the advisability of establishing marketing boards. Everyone in this room and in the country knows that marketing boards are a very important policy element of this country and this government. In fact, the minister spoke about it earlier today in Question Period when a question was put regarding marketing boards. He stated, quite unequivocally and quite clearly, that government support for supply management had not wavered. That applies not only to this level of government but also to the provincial level of government.

When talking about these issues it is important to understand what the government has been doing. It has been doing a lot of things when it comes to agriculture. I could go on with other things about income plans. If I have time maybe I will try to discuss some of those things.

The government embarked on a very comprehensive review of Canadian agricultural policy. A few months a publication called *Growing Together* came out. It explained to Canadians what was going on and what the future was for agriculture in Canada. As the member who spoke previously said, agriculture is very important to Canada. It is a very essential industry to the Canadian economy.

We have to develop the industry. We cannot say: Well, because we did this in farming or this in agriculture 50 years ago we can do the same thing today and expect the same kind of results. In most of the farming community, certainly in the ones in my area, their methods of farming, their methods of agriculture and their productivity levels have changed dramatically in the last number of years, and I commend them for that. Those are the kinds of things which we must address. They are producing different crops today than even five years ago, in many instances. That is the kind of thing our agricultural industry is going to have to examine.

When we talked about *Growing Together* there were really four pillars. One of them was market responsiveness, so that the agricultural industry could relate to the needs of the Canadian economy and the world economy. The other pillars related to self-reliance in the agrifood industry so that farmers have the ability and capability to manage their own affairs, manage their own business and the tools necessary to do that. The other thing that was a part of that program was to recognize that farms in different parts of the country are different. Different parts of regions within the country are different. That was another aspect of it.

The final pillar really was an aspect relating to environmental sustainability. That is a terminology that maybe is a little difficult for us to understand because we think of the agricultural industry as being a very natural industry. It is an industry that is friendly to the environment and in many cases, and probably most cases, it is. There are methods and chemicals today. There are practices that are going on today that are not going to help our environment. I think that is a very major factor. I really commend the agricultural industry for taking that aspect into account when it looks at what it is and how it is addressing the particular industry and that part of the economy.

There have been many actions that have come out of this. Both the federal and provincial governments are working together to have a stronger and healthier agricultural sector and I think that is very, very important.

There have been a number of task forces put together, particularly in the supply management marketing board system and certainly in the dairy and poultry sectors. These groups are looking at different aspects as to just what direction their groups are going to go. They are certainly supplying the kind of support that is necessary to the ministry and to the minister to bring those levels together so that the industry will be stable and the income can be stabilized from within, not from government handouts and from other things. That is the kind of thing that they are doing.

The group that is working with the minister at the provincial level is talking about things like greater participation and accountability, transparency, market responsiveness and competitiveness within the systems. I think that is important to everyone who is involved and certainly it applies to the agricultural industry. It applies to the people who are marketing the products, the people who are consuming the products. A lot of times in these kinds of discussions we kind of forget about the fact that the consumer is a big part of the agricultural industry. It is very important that they get involved.

Another steering committee that has been designed between government and the industry, that is agricultural farmers and the consumers, has put together a committee to review this report and to develop action plans as related to the recommendations in that particular report.

As they make those recommendations, it is obvious that we are going to have to start implementing. We are going to have to bring some of those recommendations to the floor.

If we build on this kind of change, the kind of input from the various sectors that are involved, that is the kind of consensus and the kind of results that are going to be very positive for all parts and everyone who is involved in that particular sector. The industry was the first to recognize that change is necessary and, as partners with the supply management system, we in government must do the same. We must recognize that there are difficulties, but we must also be prepared to make changes.

In the area of safety net programs, for instance, the Farm Income Protection Act was brought in to really emphasize the whole farm approach to agriculture and to increase this co-operation, this tripartite agreement and the aspect of the agricultural farm community supporting one another in an income support program. That seems to make a lot more sense than some of the *ad hoc* programs that seem to have happened in the past. This seems to be an ongoing thing where people are contributing from within the industry, that they are not just waiting for a handout.

Certainly the farmers in my community whom I have spoken to are very pleased with this. It has got some problems and I will be the first one to tell you that, but they are very pleased with the concept and getting themselves involved with it. That becomes very healthy in that particular aspect of it.

• (1530)

When you look at this program, the Farm Income Protection Act, it has four parts that are really very critical to it, the Net Income Stabilization Account which I have talked about, the Gross Revenue Insurance Program, and a crop insurance program. Those are the kinds of things that farmers are looking for to really get things under way and to make their industry competitive in the 1990s and beyond in the next century.

I think there is co-operation of governments at various levels, and co-operation of consumers who certainly are the end user. They have a very strong vested interest in this particular situation and it is very important that they do that.

The act also sets out very important principles for the establishment of any new program. The program should not unduly influence producer production and marketing decisions. The level of protection provided should be reasonably consistent with all other agreements, taking into account regional diversity.

The programs should be compatible with our international obligations. One more point, the program should encourage long-term environmental and economic sustainability. To this end we have recently announced the special assistance program of over $800 million. There have been other committees to examine special needs, whether it be oilseeds or sugar beets.

It is evident that we have in place a policy that will provide short and long term protection to the family farm to ensure that income gaps within the farming community are addressed.

Mr. Maurice Foster (Algoma): Madam Speaker, I am pleased to have an opportunity this afternoon to speak to the motion of the hon. member from Saskatchewan concerning the difficulties facing agriculture today, especially the need for marketing boards, income plans, price guarantees, and other arrangements to make agriculture in this country and in other countries viable.

I do not suppose there has been a time in recent history where there was a greater concern or financial uncertainty or uncertainty about the future than there is this fall. Certainly there has never been a time in Canadian history when so much was being decided in Geneva, Switzerland, that would have such a profound impact on Canadian farmers.

For the last six years the United States through its export enhancement program and other arrangements has been engaged in a price war to try to bludgeon the European Economic Community into submission and to try to regain part of the eastern European market for grain that it lost after the embargo which it placed on grain to Russia at the time of the Afghanistan war in 1980.

To try to achieve this it is spending something between $900 million and $1.2 billion subsidizing wheat and grain that would normally sell on the market for $135 or $150 a tonne for anywhere between $50 a tonne to $75 a tonne. It does not take a very wise person to realize that if farmers are getting something like $75 a tonne, or $2 a bushel for grain that costs them $4 or $5 a bushel to produce, grain that has not sold for those prices since the early 1960s, there is absolute total chaos in the grain producing areas of our country, especially the prairie provinces. It extends of course to the grains and oilseeds sector of Ontario and other provinces as well.

At the same time that we face that kind of chaos in world markets for grains and oilseeds, the supply management sector of Canadian agriculture, that is the dairy sector and the poultry sector are absolutely petrified that this government is going to sell them out in the negotiations there and adopt an American proposal called tariffication which essentially would have a devastating impact on that sector of our agricultural economy which is the most stable, which is the most self-reliant, where people pay for their food in the grocery store rather than have it paid for from the public purse.

Thrown into this mix of uncertainty, last year because of the accelerated subsidies by the United States and by the European community countries, world prices for grain dropped from something close to $4 a bushel to about $2 a bushel. At the same time that was happening during the summer, fall and winter months of 1990, the Government of Canada in its wisdom chopped government support programs by almost 40 per cent. It chopped them from roughly $3.2 billion to $1.9 billion in that crop year.

It is not hard to understand why farmers are protesting across this country in little communities like Lucknow, where over 1,000 people showed up at a rally in early September, and in a half dozen other communities across Canada, including the largest one which was held just a couple of weeks ago in Regina where over 7,000 farmers showed up to protest the government's cutting of support programs by $1.3 billion, a 40 per cent reduction at a time when world prices were dropping by 30 per cent. Never has there been greater uncertainty for Canadian agriculture. That is a pity because Canadian agriculture is efficient. It is talented. It has a good resource base. It should be productive. It is very productive, but it should be reasonably profitable.

We have Canadian farmers today who have an average investment of over half a million dollars, $500,000 average, whose average income in 1989, which was a good year and it might be even lower today, was about $17,000. That is less than what the average farm family earns off the farm where the spouse has a job in the community.

As this motion proposes, it is absolutely essential that we try to bring order out of chaos. We need to have orderly marketing. We need to maintain the orderly marketing we have. If the government sells out the dairymen and the poultrymen, you are going to have that sector of our agricultural economy which has been the most stable, the most reliable, the most self-reliant, lined up at the steps of the legislature and lined up at the steps of Parliament, demanding billions of dollars of compensation, stabilization and support programs. So it is absolutely essential that the government maintain that orderly marketing in the domestic scene.

I hope from these GATT negotiations likewise that there will be an orderly marketing arrangement devised at the international level.

In 1968 we had an international grains agreement which proposed an arrangement among the producing countries of the world to share the market in a fair and equitable way. Attached to that was a food stabilization accord or agreement. I think that regardless of what happens at the GATT, we should have an international food fund. We have an International Monetary Fund to try to bring some stability and order out of the situation that we have in monetary and economic affairs of the world. We should have an international food fund as well, in my opinion.

We are spending about $300 billion to subsidize food around the world. For countries that have no other means of feeding their peoples, that is great. However, we have the insane situation where we are subsidizing everybody. Canadian farmers earn about four cents on a loaf of bread that costs $1.29 in a grocery store.

• (1540)

It does not take much imagination to realize why there is so much chaos. What I feel we should be doing is putting some part of this $300 billion that we are spending to subsidize into an international food fund which would provide assistance and support to those nations and peoples of the world who cannot afford to feed themselves. It would assist them in providing food.

We should let the rest of the world that can afford the proper price that gives the producer a reasonable return provide it. Let the market work. Let the people who can afford to pay an adequate price for their food pay for it.

If we want to solve the international farm financial crisis we must have orderly marketing internationally and domestically. That is not to say that every commodity will have supply management like we have for poultry and dairy.

Clearly for commodities marketed internationally to a great per cent it is not very practical to have a supply management system like we have for dairy and poultry in this country. There has to be reasonable, fair rules so countries like Canada that have a natural advantage in grains and oilseeds can sell them on the world market. We sell about 80 per cent on the world market in a fair and equitable way.

We might have to lower our input costs to be competitive with the United States and some other countries, but clearly the motion today talks about orderly marketing both nationally and internationally. These are my ideas of what this government and what governments around the world need to do if as a nation we are to provide a reasonable, sane, sensible way of maintaining our agricultural community and giving a reasonable return to those producers who work so hard, have such a massive capital investment and deserve a better situation than they have in Canada or around the world today.

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, it is a pleasure to take part in the debate this afternoon in response to the motion put forward by the member for Mackenzie.

If we look at some of the recent statistics in this country we can understand why the member for Mackenzie and others from western Canada are concerned about what is happening in agriculture. One of the things I wanted to do to reinforce that concern was to point out an article in *The Globe and Mail* today at which I am sure the hon. member for Mackenzie and most likely the member for Algoma have had a chance to take a look. The Canadian Press articles mentions Saskatchewan specifically and the outpouring of people from that province. It tells us that the province of Saskatchewan lost 19,442 more people to other parts of the country than what it gained in return in the latest statistics available. That is a rate of something in the order of 19.3

per cent of its residents in the last couple of years. I believe that statistic is based on the 1989–90 year.

Those are very alarming statistics. It is not the only agricultural province that is registering those kinds of numbers. It is happening in other provinces as well, but most of them are coming from the farm. The farm sector is certainly under siege. There is no question about it. As the member for Algoma mentioned, we are into a subsidy war and Canada is paying a big price for that.

The price tag on that subsidy war between the United States and the European countries alone is running in the neighbourhood of $300 billion at an annual rate. There appears to be no end in sight. The treasuries of the United States and European countries apparently can afford to play that game although I am not convinced they can afford to play it. For the last number of years they have been content to play that game without coming to grips with the real problem. I think we are in full agreement with that.

The consumer at the end of the day pays the price for a commodity whether it is through taxes or at the check-out counter at the grocery store. To assume that Canada could take part in that high stakes game is an unreal perspective. We cannot and we do not want the Europeans and Americans to continue along that course. It is a very destructive course and we certainly pay the price in this country.

The statistics I mentioned in relation to the numbers of people leaving farms in western Canada and other parts of Canada tell the real story. If you are getting $2 a bushel for wheat there is no way you can pay the bills at the end of the day. We have to find a way to get out from under that.

Both of the members on the opposition side mentioned a couple of commodities. It is interesting that they did and I do want to reflect on what they said. The member for Mackenzie mentioned the price of beer in relation to the price of barley. As we all know in the beer process, barley is one of the key ingredients that has to be used in the production of that commodity. Obviously the grain farmer is not reaping the reward for his work and for the product they use to manufacture the end product which is beer.

How can we achieve something different? The same is in relation to the price of bread. They are saying that a farmer gets about 4 cents for his grain when it is all factored into the price of that loaf of bread.

I do not have the answer to it but the trend today is vertical integration in the marketplace. Maybe that is an area we have to move more into in this country. Obviously there is risk in doing that because vertical integration means bigger companies and bigger farms with more assets than we would like to see in the hands of one group. The reason is that it probably means the end of the family farm if one competes on that level. I am not saying it is the answer but it is certainly a reality in other parts of our industrial society.

There was a conference sponsored by *The Financial Post* in Toronto yesterday. Some of the big players were there to take part in it and to take a look at this world-wide phenomenon of size in relation to marketing and products manufactured and how at the end of the day they can survive out there in the marketplace.

They were talking about the European market, for example. That is dominated by a handful of companies really. It is companies like Nestle, Unilever, Phillip Morris and BSN. They actually take a look at McCain Foods as well and some of the success they enjoy in Europe. They are big companies. To compete and to work through that whole chain where the consumer picks their product up at the supermarket, you have to have that integration within your industry to be able to do that. At the end of the day one must have the price that will attract the consumer to buy one's product.

It is not all big business in my province of New Brunswick but one of the things we have been able to do is have the value added to some of those products in our province. Take the example of just selling the raw material. By selling grains like wheat and barley there is not a whole lot of profit there. Maybe that is something that some of the western provinces might take a look at.

• (1550)

For example, in New Brunswick the figure to value add it on our product is something in the order of 40 to 50 per cent. It is one of the highest in the nation. Whereas if we go into Saskatchewan I think that figure is in the 3 or 4 per cent range. Maybe the answer lies in vertical integration, taking value and putting the value on those prod-

ucts and further processing of those products before they leave the province.

If you want to take a look at the beer industry, Madam Speaker, that is a unique one. As you know at the end of the day you are talking about a very high priced product. I think there is probably an opportunity there for western grain farmers to take a look at how that product is used in the end product and maybe some improvements can be made in that process in western Canada.

Why is it that at the end of the day the key ingredient in that product, the barley, is a very small percentage of the price at the supermarket or the liquor store? It is the same with a loaf of bread or a box of cornflakes, as the members here have pointed out so often. I think the price of a box of cornflakes is less than 10 per cent of the price of the product. There certainly is room for improvement.

The motion before us reads:

> That, in the opinion of the House, the government should consider the advisability of establishing marketing boards, income plans and price guarantees to ensure the income gaps within the farming community are narrowed and to ensure a continued supply of quality foodstuffs at reasonable and stable prices.

Not one of us here is going to disagree with that statement. But how do we achieve that is the question.

I see that my time is quickly running out, but I want to reinforce the government's commitment to supply management. The minister is on record today during Question Period as stating that our commitment is an ongoing commitment. We have not waffled in regard to that. We are going to continue with clarification of article XI. We are not going to give up on it. We are not going to cave in to international pressures.

There is a great deal at stake in the farming community and we realize that. We are going to continue to pursue the strengthening and clarification of article XI. At the same time we do have a task force out there examining milk marketing boards in attempt to identify what can be done within those marketing boards to improve efficiency and return for farmers within those marketing board structures.

It is a two-way street. I believe that our marketing board people are doing their best with those marketing board commodities that relate to the agricultural sector, but the government of the day is also doing its job. We are defending it and will continue to defend it. We will do it in the best interest of all of us: the consumer and the farmer.

[*Translation*]

Madam Deputy Speaker: Since no more members wish to speak, the time provided for consideration of Private Members' Business has now expired.

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

Pursuant to Standing Order 28(1), this House stands adjourned until 11 a.m, on Monday, November 18, 1991, pursuant to Standing Order 24(1).

The House adjourned at 3.52 p.m.

HOUSE OF COMMONS

Monday, November 18, 1991

The House met at 11 a.m.

Prayers

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 30(6), the House will now proceed to consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

NATIONAL HERITAGE DAY

MEASURE TO ENACT

Mr. Brian L. Gardiner (Prince George—Bulkley Valley) moved that Bill C-236, an act respecting National Heritage Day, be read the second time and referred to Legislative Committee G.

He said: Mr. Speaker, it is a pleasure and indeed an honour to rise in the House today to speak on the presentation of my private member's bill, Bill C-236, an act respecting national heritage day.

I would like to thank the seconder of my bill today, the member for Prince Albert—Churchill River. He is supportive of the bill and members of my caucus have been offering their comments in support on this legislation.

It is an important bill and I would like to take the opportunity to lay out some of the brief history of the concept behind national heritage day. I would like to talk a bit about some of the previous efforts that have taken place in this regard and to talk about why we want a national heritage day in Canada.

We want to address briefly and to recognize some of the debate around the concept idea. We then want to wrap up with what I hope is certainly an opportunity to hear from other members in the House what their views are. I would hope that they would support the motion to send this bill to committee.

A number of members of Parliament in the past have presented legislation or private members' bills to this House to designate the third Monday in February as national heritage day. I had the opportunity in our previous session to present a bill as well. It came to the floor of the House but under the rules at that time it was not deemed votable. After a very interesting debate and discussion I think all members of the House had an opportunity to hear the ideas behind the bill and to express their views.

It is different in this second time around for me in any case because under our rules Bill C-236 is going to be subject to a vote in the Commons after some three hours of debate and discussion in the House. A positive vote would send the bill to a legislative committee as was mentioned.

That is an important difference to the previous effort on my bill and the fact that the House will have an opportunity to make a decision by way of a vote either for or against this particular concept of national heritage day.

Let us take a look at some of the ideas, material and comments that are around with regard to national heritage day. I talk about national heritage day really as a grass roots celebration of Canada. We have a number of important days in our country that we celebrate. Most recently is Remembrance Day when most members certainly would have participated in ceremonies in their ridings and home towns. Canada Day is also a very important day in our country. We have a chance to celebrate some of the institutions and symbols of our country such as the flag and other things.

I see heritage day as a concept that goes beyond simply the institutions that we have adopted on our own. It is really a chance to talk about what makes Canada to the average Canadian: our mountains, our forests, our architecture, our heritage and our communities. This is a way to try to achieve that kind of recognition.

In 1987 the then Secretary of State produced a paper that I think in many ways summed up a great deal about the discussion around heritage day.

I would just like to read into the record some of the information from this paper. I think it outlines to a certain degree my own particular views with respect to national heritage day. I am quoting here. It goes on to say:

> Canadians in fact have relatively few occasions when we can come together to celebrate our heritage. We do so on Canada Day and with the recent proclamations of Environment Week and Citizenship Week by the federal government there will be growing opportunities to understand the shared aspects of being Canadian.
>
> Yet it would still seem that the government has not caught up with the desire of Canadians to express their pride.

I think that is an important point in the government's own documents because on the third Monday of each February the government and many other people do recognize heritage day. I have some examples I would like to bring to your attention later, Mr. Speaker. There are many photo opportunities with the minister of the day. Members make comments and what have you. I think it is an opportunity that Parliament has now to vote on heritage day. It is an opportunity for all members and in particular the government to vote where its photo opportunity is.

If we take a look at other countries around the world there are a number of days that they hold as being special. This is in addition to the celebrations of their institutions. For example, the Americans have five national days devoted to their heritage, including the newest holiday honouring Martin Luther King. In Finland there are 12 such national days. Maybe we in Canada have missed out on a few of the advantages of celebration, recognition and putting aside some of our differences. I could not think of a better time in the current history of our country to try to find a way to bring all Canadians together at the grassroots level.

We are seeing many examples across the country of people who are spending their own money and taking their own time to talk to other Canadians about how important the unity of our country is.

Canada's 125th birthday is 1992. I would say to the government members that the recognition of national heritage day on the third Monday in February would go a long way to ensuring that it is a happy birthday in 1992.

If we could have an early vote on this proposed legislation as the debate moves along, it would mean that the government and other bodies would have an earlier opportunity to consider the idea and hear witnesses if the bill goes to committee so that things could be in place for 1992.

I am reading again:

> A national heritage day celebrated nationally would enhance two vital aspects of Canadian identity. We would focus on those parts of our heritage which are truly the expression of what we have achieved together from our liveable cities to our artistic genius. We would reach out across our many cultures to learn about and savour the differences our heritage stands for. For many Canadians it is different. We come to see Canada in our own way, with our own particular views. In other words, a heritage day would be a uniquely Canadian occasion to celebrate both unity and diversity.

Those are the words from the government's own publication celebrating citizenship called *Proud to be a Canadian*. I am reading these comments into the record because I think it is important for government members to have some realization and recognition that their own government has already been leaning in the direction of designating a national heritage day. I hope that in this debate and the eventual vote to come we will actually be able to vote to support that concept.

I have mentioned 1992 and some of the comments there. Let us just see briefly across the country how heritage day and the concept of heritage day has been developed.

• (1120)

I mentioned the opportunity that at least one minister of the government uses to take advantage of national heritage day. The Secretary of State asked young people to participate in the 125th anniversary of Canada by entering the Canada Day poster challenge in reference to heritage day.

The province of Alberta has already designated the third Monday of February as family day. I do not think that is inconsistent with the concept of a national heritage day. Certainly I could see that being worked into the proposal behind national heritage day. If the bill were referred to committee I think it would be valuable to hear witnesses from Alberta talking about how family day in their particular province has worked and how that particular day would fit into a concept of national heritage day.

These are some newspaper reports of national heritage day across the country. Here is one from Yarmouth. The Yarmouth County Historical Museum won a national heritage day and kicked off heritage week in style, celebrating the museum's accomplishments.

The member for Kingston would be honoured to see that the Kingston area municipal offices are closed on heritage day. They have made recognition of that.

In British Columbia heritage week is recognized. I know from discussions with local governments and community groups in my riding through Prince George and other areas they are very eager and interested to see that the concept of national heritage day proceeds.

In this particular news report there is talk of the members for Carleton—Charlotte and Fredericton unveiling the plaque on heritage day in recognition of a very important mill in the Cochrane area. I think this is important.

The former premier of Nova Scotia, now Senator Buchanan, officially declared heritage day in the province. Monctonians are celebrating their heritage.

The purpose of making reference to these documents so that you can see and hear them is to illustrate that in many ways Canadians all across the country are already celebrating national heritage day. As the government's own document said, perhaps it is time for the federal government to catch up to the rest of Canada and what Canadians are doing throughout the country to celebrate this important time of the year.

I want to touch just briefly on a couple of points of concern that have been raised by people about the concept of national heritage day. In all cases I think it is important to note that if there is a positive vote, which I hope there is on this bill, we can hear from some of the witnesses who have expressed some concerns. I think when the evidence is put out their concerns can be met.

The first thing is the role of the provinces in this. My bill only really declares for a federal situation. That is our jurisdiction. That is all that Parliament can do. It amends a number of federal acts. It would be up to the provinces then to decide what their role is in a national heritage day. That may not happen immediately. In some cases it has already happened and I do not think that what these provinces have done is necessarily inconsistent at all with a national heritage day. I think we would certainly want to invite witnesses from those provinces where heritage day has already been declared on a provincial level.

The other comment is regarding productivity, whether the nation will suffer economically because of heritage day. I would just make a few brief comments in that regard. First, I do not have all of the information here with me today, but I would suggest that injuries on the job and other problems in the work place such as alcoholism and other issues are likely to be of much greater concern to the productivity of our nation than a national heritage day would be. Illiteracy is a growing and recognizable problem. I do not want to suggest that people who are opposed to the concept of national heritage day on grounds of productivity that it is a red herring but I do not think you can comment about it in isolation without considering those other comments.

Second, I would suggest in some particular instances that some parts of our economy in fact could be improved due to national heritage day. It may be inconsistent with the concept but there are now massive heritage day blow-out sales across the country on the third Monday in February. At that time of the year the outdoor recreation sports such as snowmobiling, skiing and what have you are important sports in Canada. In fact they may see a boost to their economies and their business due to a national heritage day at that time of year.

The third point I guess is perhaps an argument for a national heritage day during the third week of February. It is a long haul from the first part of the year into March or early April when Easter comes. There is one particular article I have which suggests we do need a break from time to time. I will not read it at length because it was a little cynical I guess. It is an article from the *Toronto Star* commenting about a break from all the bad news: VIA Rail cuts, the Atlantic fishery, et cetera.

I would say that Canadians would like an opportunity to celebrate their country and to be given a break. You know as well as I do, Mr. Speaker, that even in this Chamber after a bit of a break there is certainly a great deal more energy and more productivity in this place and

I am sure the same goes for many other work places. It is not such a bad idea after all.

We would ask government members in particular to give strong support to this particular bill. As I mentioned earlier and certainly from reading the documents here, I know the government has considered this before. The government should take advantage of the day to make a number of announcements and do a number of things. I guess it is time to make the decision about whether we are serious about a national heritage day in the country or whether it is something that we should really drop as an idea and give up on it, which of course I hope we do not.

I have two other comments to make. I want to give credit to Heritage Canada which has done a lot of the lobbying work in this regard. It is interested in this particular bill. At some of my meetings there one example that was cited of a private member's bill that has moved through the system and has now become law and has turned out to be very successful is the private member's legislation regarding historic railway stations.

I bet if one looks back at some of the debate prior to that legislation being passed, there may have been some of the same criticisms that there are of national heritage day. The reason for citing the historic railway stations legislation is because it was a private member's bill that was developed carefully and logically and has produced some positive benefits. In my riding in McBride the railway station has been designated. It is an example of a private member's initiative that has been received enthusiastically and responsibly.

I hope that members will support the motion and that they will agree to send the bill to committee so that we might have February 17, 1992 as our first national heritage day in Canada.

[*Translation*]

Mr. Vincent Della Noce (Parliamentary Secretary to Secretary of State and to Minister of Multiculturalism and Citizenship): Mr. Speaker, I want to congratulate the hon. member for giving us in Bill C-236, an act respecting National Heritage Day, an opportunity to consider the nature of our national heritage and the possibility of designating a statutory holiday.

• (1130)

In 1992, we celebrate the 125th anniversary of Confederation. A national heritage day would give us an opportunity to reflect on what binds us together as Canadians. However, I cannot support Bill C-236 in its present form because it would have the effect of depriving 92 per cent of Canadians of a chance to fully participate in heritage day. Clause 4 of Bill C-236 says, and I quote:

> 4. The definition "general holiday" in section 166 of the *Canada Labour Code* is repealed— to allow the inclusion of National Heritage Day on the list of statutory holidays in Canada.

The *Canada Labour Code* applies only to federal employees and workers in certain sectors, such as banks and railway companies, which are federally regulated. The vast majority of Canadians are subject to the labour laws of their respective provinces and would therefore be unable to participate fully in this formal recognition of our heritage.

Our government believes that our heritage is too important to be celebrated by only a small fraction of the population. We must ensure that national heritage day is not an empty shell. In fact, the concept of designating a heritage day has gained acceptance among Canadians in recent years, and rightly so, because it is an excellent concept. However, we must give some careful consideration to taking both a fair and effective approach to national heritage day.

We must also consider the concerns of all Canadians that have an abiding interest in their heritage. It is a fact that Canadians are becoming more and more aware of their heritage. Perhaps I may give a few examples, Mr. Speaker.

In Alberta, the first Monday in August is officially recognized as Heritage Day. In the same province, the third Monday of February, the day proposed by Bill C-236 as national heritage day, is already designated as Family Day. Canadians also have an interesting range of historical sites, monuments and historical communities such as Upper Canada Village in Morrisburg, Ontario. We also have our national and provincial parks, which are a major resource for this country.

They are a major resource because the environment is also part of our collective heritage, With respect to architectural conservation, Canadians have adopted some major legislation. All provinces now have laws

aimed at preserving buildings and neighbourhoods with historic and heritage value.

Increasingly, municipalities are showing an interest in preserving their heritage in the course of town planning, housing and development activities. These concerns are alive and well from St. John's, Newfoundland to Vancouver; from Dawson City, Yukon, to Windsor, Ontario. They are reflected in the restoration of city cores, streets, main streets, and residential and public buildings designated as having symbolic and historical heritage value.

Many municipalities, including Ottawa, have established awards to recognize excellence in architectural preservation. Municipalities have been influenced and guided by hundreds of associations involving members of the community, volunteers, heritage societies, and local and regional historical societies.

Canadians have a keen interest in our urban heritage. They are also very interested in the culture they have created in this country, and of course the federal government is involved in this sector as well. The National Museums, the National Library, the National Archives and the Social Sciences and Humanities Research Council of Canada are a few examples of the government's commitment.

However, the concern goes even further. Canadians are doing more and more to conserve their various cultures, religions and languages—such an amazing diversity makes Canada unique in the world.

Our colleague, the Minister of Multiculturalism and Citizenship, seeks to have this reality and its implications for all Canadians recognized and acknowledged.

Canadians belong to a multicultural country. Therefore every effort made to highlight and recognize the heritage of this country must reflect this reality.

Let me share some of my thinking with you, Mr. Speaker. As I see it, celebrating Canada's heritage means travelling through time and different cultures. But what do we gain from that exercise? We see that there is not just one version of history, but several. This obvious fact is reflected more and more in the way that history is taught, in our schools and universities, as well as in popular histories.

When we go into Canadian history, we should be aware of the history of women, workers, the various ethnocultural groups, of economic, social, cultural and regional history. The various cultural groups that make up our country each see historical reality their own way.

There is no official, duly recognized history that reflects Canadian reality. Understanding this point is essential to understanding both our past and our future. When we consider our heritage, we must not neglect any aspect of our great Canadian culture.

A day officially recognized as national heritage day must include all Canadians, whatever their language or religion and regardless of the work they do or the ethnic and cultural group to which they belong. I think that such a day must remind us of our common successes and pay tribute to our astonishing diversity. In sum, it must give us an opportunity to pay tribute to ourselves.

A statutory holiday limited to those governed by the Canada Labour Code, that is to 8 per cent of the labour force, would not pay fair or adequate tribute to our heritage. We want a national heritage day that will be celebrated by all Canadians.

In closing, I would just like to congratulate my hon. colleague, since I had the honour to work in that department a few years ago and to think about a heritage day. Only the date was to be determined. I thought that February was the right month. What I like less, though, is that we always make the same mistake of favouring only a small percentage of the population, since we are all supposed to be equal as Canadians, regardless of our colour or our culture. That is the way it is with problems in our country, Mr. Speaker, as you know.

In general, I support my hon. colleague's bill. The only thing that I would like to see changed or modified is that it not be limited solely to those under the Canada Labour Code, or a privileged 8 per cent of this country's population. I would like it to apply to all Canadians.

[*English*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am delighted to be able to stand in this House today to address this particular bill. I want to congratulate my colleague for bringing it forward.

There are four points I want to raise and talk briefly about, what we were as a nation and what we can be, and then examine how we might go forward from here.

[*Translation*]

What were we? At first, we were a very vast country with all sorts of natural resources. Of course, there was no pollution then, or very little. Our country had immense potential. I must say with pride that we have accomplished a lot so far, but we still have a long way to go.

[*English*]

Initially, as people know, Canada was inhabited by our aboriginal peoples. They had a system of government, an economic system that looked after their needs in a rather significant kind of way, a system of values, of norms, sharing respect for the environment that is to be envied. Perhaps one of our greatest losses is that we have not been sufficiently sensitive to what it is that our aboriginal peoples have established in this great land.

• (1140)

What have we become? We are very shortly going to be 125 years old. We shall soon be, if we are not already, the largest country in the world. We are roughly thirtieth from a population perspective in terms of numbers on the whole planet. If my memory serves me correctly, we have the eighth largest economy in the world.

There are over one million people who are of aboriginal ancestry. There are roughly seven million French speaking Canadians of French ancestry. According to the most recent estimates there are roughly 10 million people who are of British or English heritage. Then there are those Canadians from backgrounds other than aboriginal, French or English, who number eight million or nine million. Very often we refer to them as new Canadians. These people who came after the aboriginal, the French and the English, have made immense contributions to this whole country and, indeed, some major, major contributions to particular areas in Canada.

[*Translation*]

We have 10 provinces that are quite unique when you consider, for instance, that Ontario is huge and has almost 10 million inhabitants, whereas Prince Edward Island is a lot smaller and has only about 125,000 people. The territories account for roughly one third of Canada's surface. Fifty-five thousand people, including many aboriginal people, live in the Northwest Territories. The Yukon has about half as many and also a large number of native people.

Canadians are respected throughout the world for a number of reasons, such as—

[*English*]

—when we are involved in peacekeeping missions, when we attempt to show leadership in the field of human rights and our leadership is often acknowledged internationally. It is something I would like to see more of.

What is it that we can be? What is it that we might be that we have not accomplished thus far? I believe we can be first in a number of areas. First, I would like to be able to claim in a very short while that in terms of developing a society that can accommodate to a great deal of diversity, we are first in the world, that we have somehow been able to work out relationships that are sensible and sensitive to all Canadians, men and women from all parts of this country, no matter what their backgrounds happen to be, no matter what their socioeconomic status happens to be.

I would like Canada to become a model of great understanding in terms of tremendous diversity in terms of its people and, obviously, the country itself. I would like to see a buoyant economy develop, one that is sensitive not only to the business people, which is obviously important. We must not neglect them. It must be one which is primarily concerned about responding to the needs of Canadians to ensure that wealth is distributed in a fair kind of way, to ensure that in Canada today we are no longer able to talk about the 5 million poor, the majority of whom are women, where we have one million children who are counted among that number, where we do not have two million people on social welfare, where we do not have almost 1.5 million people

unemployed and where we do not have 1.8 million Canadians who will be fed by food banks this year.

I would not only like to see a buoyant economy that responds to the needs of each province and each of the two territories, but to all Canadians no matter what their status. I definitely want to see a redistribution of wealth in such a way that we can eradicate this tremendously debilitating poverty which is impinging upon roughly five million Canadians.

We have been peacekeepers and I would like to see that role strengthened.

We have given leadership in the area of human rights although we are not unblemished. I want us to be able to help other people who have less than we have to look after themselves.

I know that when we talk about heritage day we could in fact be looking at that which we have done, that which we do not recognize often enough. I have spoken about some of the things such as the accomplishments of the past, some of the accomplishments of today and a vision for tomorrow.

[*Translation*]

My greatest hope is that, when we proclaim that day—and I hope that we will do so—we make sure that we talk about our achievements.

In the United States, five days are devoted to celebrating what an American is, what it is to be part of that country. Finland has about 12 days for honouring its nationality. Here in Canada—

[*English*]

—we have Canada Day which is a wonderful opportunity. We also have Environmental Week and Citizenship Week. In my own province of Manitoba we have the wonderful week called Kermis Week in February when the Belgian community talks about itself, its roots and its role in Manitoba and in the country.

It talks about the accomplishments that its people have been able to make not only in their country of origin, but also today in Manitoba, in Canada.

Following that particular celebration we have *le Festival du voyageur* which is in fact a French-speaking theme but has increasingly become sensitive to our aboriginal first peoples and to the diversity in Canada, the multicultural element without losing the importance of its original intent, that is to celebrate what Canadians of French-speaking ancestry contributed to Manitoba and to the country.

We also have this tremendous celebration called Folkorama when we have 50-some pavilions that celebrate the diversity of our province and indeed of our country. We also, of course, celebrate Multicultural and Citizenship Week.

[*Translation*]

I would conclude by saying that we have a unique opportunity to better celebrate what we have been, what we are and what we can become as a country. I hope that we will not miss that opportunity.

[*English*]

Let us support this bill. If there are difficulties, and there are bound to be in any particular piece of legislation brought forth, let us work them out.

[*Translation*]

We have a golden opportunity.

[*English*]

Let us not miss this opportunity to talk about the tremendous accomplishments of our nation and what we can still accomplish as a strong, united country.

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I would like to speak about Bill C-236. I want to commend the member for Prince George—Bulkley Valley for bringing this forward in the House.

What he has introduced is by no means new to this House, but the concept reflected serves to represent an important and continuing effort to give Canadians the best kind of opportunity to celebrate our heritage.

It has been more than 18 years since the idea for such a day was proposed by Heritage Canada. Since that time it has gained increasing recognition from parliamentarians, agencies of the federal government, and provincial and local governments, voluntary societies and the public.

Four years ago, the Secretary of State at the time, the Hon. David Crombie called heritage day a uniquely Canadian occasion to celebrate both unity and diversity. In a 1987 booklet put out by his department *Proud to be Canadian*, he observed that Canadians in fact have relatively few occasions when we can come together to celebrate our heritage.

We certainly do so on Canada Day. With the recent proclamations of Environment Week and Citizenship Week by the federal government, there are growing opportunities to understand the shared aspects of being Canadian.

I think what we have heard today are many other aspects of how Canadians can come together to celebrate and acknowledge our heritage. Sometimes we do it without formal holidays such as Mother's Day and Father's Day. Heritage day itself has been celebrated for 18 years this way.

However, historical societies, architectural conservationists and many other volunteer societies hold special celebrations, usually in February. School teachers and municipalities across this country also have activities which are all part of our heritage. I think it is important that we recognize that there are many competing interests in the observance of days for special causes. Some are of commercial intent, some promote health and others support local and international causes.

• (1150)

Our heritage must have a special place, a priority in our thoughts and in our words. At no other time has an understanding and respect for our heritage been so important as we try to shape our future. I know that respect for our diverse heritage does not simply depend on a heritage holiday. Of course our great July 1 holiday celebrates our achievements as a nation, but a heritage day could also be special. It could celebrate what we have achieved as a people living and working together in this multicultural society. It could celebrate our potential as a people to build a better and more united Canada for the future.

There is another simpler distinction between Canada and heritage day. One falls at a time when primary and secondary schools in this nation are not open and the other falls in the midst of the traditional school year.

Of course our heritage is important to all of us, but who can deny that the understanding of it is especially important to the young. Mr. Speaker, you have heard about the special programs being called upon to celebrate our 125th birthday in 1992, asking the schools of Canada and their teachers and young Canadians to become involved and write about how important our heritage is and what it should do to help shape our future.

I think that as this generation becomes knowledgeable about the past achievements of Canadians, it will no doubt lead to a finer future of this country.

These things have to be brought together. The first Prime Minister of this country, Sir John A. Macdonald, who was notable in leading Canadians at the time to believe in the formation of a country. Indeed, as our first Prime Minister, I could think of no better name for a holiday in February than his name even if it is not his birthday, because exceptions have always been made. Even the holiday for the Queen's birthday is not celebrated on her birthday. I think heritage day could permit flexibility to the community, organizations and to individual citizens in what they may celebrate. Again, to name it after Sir John A. Macdonald would be fitting of all Canadians and would be supported by all sides of this House.

I have said that there is nothing exclusive about celebrating a heritage day. We could pay tribute to our cultural past whose roots grow in many places. We could give a specific time to achieving a greater understanding of the contribution of aboriginal peoples. We could review Canada's contribution to better living in the world at large. A heritage day would also cast new light on the need for national unity, an issue of the utmost importance at this point in our nation's history.

One intriguing suggestion would have a central theme proposed annually for each year's celebration. That theme would naturally attract a great deal of special attention from the media, but it would not exclude other kinds of community or individual celebrations as well.

I think the opportunity of a heritage day would be tremendous in all the different ridings and constituencies of Canada. These communities would have the opportunity to celebrate and to bring knowledge for oncoming generations about their community's past and where it is going to go in the future.

I hope I have underlined our opportunities for celebrating our heritage. Undue modesty about our legacy of achievement by gifted earlier Canadians may have seemed a charming aberration in the Canadian character. It could also be considered a humility we can no longer afford. Without a realization of what we have already accomplished, we miss the essential element in our will to do more. Never has our future been more

uncertain, never have we needed more urgently the perspective of our heritage.

The idea for a heritage day is most commendable. It would focus on our rich inheritance from any cultural, architectural and geographical perspective. Above all, it could lay the groundwork for greater national unity.

However, we must have a heritage day that all Canadians can participate in and be part of. From what I have heard in the House today and from what we have heard in the past 18 years since it was first proposed, it would indicate to me that the government of the day should take a lot of the points made in this debate this morning to heart, in particular the Secretary of State and the Minister of State for Multiculturalism and Citizenship.

I think the signals are very clear from this House that the government should bring forward a bill that will reflect heritage day as it has been described here. I am sure this is supported by all 27 million Canadians, no matter what their origin. I say bring forth a bill in which all 27 million Canadians can participate. That has to be the question. Although I support the hon. member for what he is doing in bringing this forward for a renewed opportunity for debate, I want to say to him that we cannot support a bill which does not offer equal opportunity for all 27 million Canadians.

I urge the government of the day to bring forward to this House at its earliest opportunity a bill that we can all support, one which the 27 million Canadians will be proud of and one which will give an opportunity for new Canadians and young Canadians to learn more about their country's traditions and past. I urge the government to bring it forward so that united all 27 million Canadians can provide a better country, a more noble country and a world leader.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am pleased to participate in the debate on Bill C-236, the bill presented by my colleague, the member for Prince George—Bulkley Valley, to create a national heritage day on the third Monday of February as a legal holiday.

I am particularly pleased because my home community of Nelson, British Columbia is popularly known in that province as the heritage capital of British Columbia. It was second only to Perth, Ontario on being designated by the federal government a number of years ago for a great deal of special assistance and deserved assistance in order to restore many of the buildings and areas within the city of Nelson and certainly in some of the surrounding areas.

Many of the communities in my own constituency will be celebrating their 100th anniversaries in the next two to three years. Speaking for my own constituents in my own community, they would see it as very fitting if all parties in this House of Commons could come to an agreement some time very soon to designate a national heritage day.

There have been some questions and comments raised as to what heritage we would be celebrating on this day. There are communities which have long standing in Canada with very interesting histories and which have contributed to the fabric of our society. There are many ethnic communities as well. I know in my own area the Russian Doukhobor community has contributed greatly to the fabric of society, as has the Italian community.

Trail is the home of the oldest Italian Canadian society in Canada. The city of Rossland, which is another community about to celebrate its 100th anniversary, has an Italian community within it which is in large part responsible for the creation of one example of the eight-hour day in North America which set a pattern for working conditions for working people throughout the world.

• (1200)

That was accomplished at the end of the last century. It took a while before it was put into practice everywhere else, but again not many people even within that community recognized the very major part they and their neighbours had in shaping the kind of working conditions and other conditions many of us have enjoyed ever since.

The matter of whether we want another statutory holiday has also been raised in discussion. We are wondering if we can afford another holiday for which we pay people within the federal sector to have another day off in celebration.

At a time when Canada is facing what all of us recognize as being a very serious crisis in terms of its own identity and its own acknowledgement of its own heritage and the importance of the heritage of our various communities across Canada, I would simply ask the question: Can we afford not to give special attention in this way to the history and the heritage of all of our communities, be they ethnic, regional or local, and the contribution we have all made regardless of our language or our own background to the fabric of Canada?

I am pleased to have had a very brief opportunity to support the bill put forward by my colleague, the hon. member for Prince George—Bulkley Valley. I would hope that in the very near future we will have the kind of agreement that is necessary in order to see this implemented into law.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

GOVERNMENT ORDERS

[*English*]

CANADA PENSION PLAN

MEASURE TO AMEND

Hon. Jean Corbeil (for the Minister of National Health and Welfare) moved that Bill C-39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act, be read the second time and referred to Legislative Committee B.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am very pleased to bring forward legislation which will amend the Canada Pension Plan, the CPP.

The amendments which we are discussing today represent solid progress in the ongoing reform of social policy and illustrate the government's sensitivity in balancing complex social and fiscal priorities. The proposed changes also underline the government's investment in children. This proposed legislation demonstrates the very strong spirit of federal and provincial co-operation in Canada.

Since its inception in 1966 the Canada Pension Plan has played an important role in providing retirement income for Canadian workers and their families, protecting them against the sudden loss of earnings arising from the disability or the death of a wage earner or self-employed person. Within Quebec a parallel plan, the Quebec Pension Plan, provides similar protection.

Together with the Old Age Security program these two pension plans ensure a basic level of income protection to Canadians throughout our country. It is particularly satisfying to bring forward this legislation as Canadians this year celebrate the 25th anniversaries of the Canada and Quebec pension plans.

Once again, as in numerous times since 1966, federal and provincial governments with foresight and with co-operation have agreed upon improvements to this major component of our social fabric. Major changes to the Canada Pension Plan require the consent of the federal government and two-thirds of the provinces having two-thirds of the Canadian population.

The Canada Pension Plan has served Canadians well over the last 25 years and the changes we are introducing today will ensure that Canadians have every confidence in their plan for themselves and for their children.

Canadian society like many societies world over has undergone fundamental social and economical changes over the past few decades. The Canada Pension Plan has evolved with those changes. As hon. members will recall this government introduced major improvements to the CPP in 1987 under Bill C-116 including greater flexibility in the age of eligibility for retirement benefits under the plan, a substantial increase of close to $150 monthly in CPP disability benefits, the easing of eligibility requirements for these benefits, the continued payment of survivor benefits to widows and widowers on remarriage, the sharing of CPP retirement pensions between spouses, the enhancement and extension of credit splitting to separations and common law situations, the payment of two children's benefits where both the contributor parents either die or become disabled, and

improvements to combine disability–survivor benefits as well as to combine survivor–retirement benefits.

In addition, following extensive federal–provincial discussions a mechanism was created in Bill C–116 to ensure the long–term financial health of the plan. A 25–year schedule of CPP contribution rates was created with increases beginning in 1987. That legislation also required that the federal and provincial finance ministers review the contribution rates every five years and extend the contribution rate schedule by an additional five years. This would ensure that the financing of the CPP plan is always on track and would allow for adjustments in contribution rates in a fair and a minimally disruptive way.

I am pleased to inform hon. members that the first five–year review of CPP contribution rates by the provincial and federal finance ministers has been successfully concluded. The spirit of collaboration and strong desire to maintain the plan on solid footing for the future has resulted in an agreement on revisions to the rate structure which takes into account the most recent actuarial projections.

The bill proposed today contains a provision to amend the 25–year current schedule of CPP contribution rates and extend the schedule by an additional five years. These adjustments will ensure that one of the most important elements of our social security system continues to be financially sound.

In addition to the 1987 Canada Pension Plan changes, federal and provincial governments have been giving very serious thought to fundamental reform of the Canada Pension Plan survivor benefit structure, including an increase in Canada Pension Plan children's benefits. Accordingly I am pleased to confirm that this bill contains an amendment to increase the monthly flat rate benefit for children of deceased or disabled Canada Pension Plan contributors by $35.

The proposed measure represents an important initiative in the reform of CPP survivor benefits. As well, the provision of enhanced income support through Canada Pension Plan children's benefits underlines this government's investment in children.

The amending bill also provides the opportunity to introduce a number of minor administrative and technical amendments to the plan which are of insignificant cost. Many of these are housekeeping matters are necessary from time to time in a plan of this size. Others address the important issues, and I am going to talk about these later on.

• (1210)

I have briefly stated the nature of the proposed amendments to the CPP and now I would like to talk about each of them in a little more depth.

First, I would like to talk about the amendments that are going to affect the children. Social changes since the 1960s have had a dramatic impact on the family and, in particular, on children. These changes include an increase in family breakdown through marital separation and divorce. There has been a marked increase in single parent families and family situations where the dependent children of a deceased contributor may not live in the same household as the surviving spouse. In view of these developments, it is desirable that the Canada Pension Plan do its part to target more assistance to children who are often the true dependants.

The proposed $35 CPP children's benefit increase also recognizes the difficult circumstances faced by many survivors with dependent children as well as by severely disabled contributors with dependent children.

We know that children in such situations often have lower incomes than children as a whole. Therefore the increase will provide additional support to a particularly vulnerable group. The proposed children's benefit increase represents a 30 per cent increase over the current benefit of $113 per month. The increase is approximately equal to an extra monthly family allowance payment.

Through this benefit increase some 170,000 children of deceased or disabled CPP contributors will be better off. The increase will apply to children under the age of 18 and to those 18 to 25 who are in full–time attendance at school. However, it is important to note that this increase will not add significantly to the short or long term costs of the plan.

The children's benefit increase was initially put forward in the federal government's 1987 consultation paper on Canada Pension Plan survivor benefit reform. It is also in line with the recommendations of the parliamentary committee to which the consultation paper was referred. During the parliamentary committee's consultation process such an increase received support from major interest groups such as the National Action

Committee on the Status of Women, the Canadian Labour Congress and the National Association of Women and the Law. The children's benefit increase was whole-heartedly supported by a variety of interest groups and is in line with the thinking of the parliamentary committee as well.

The proposed improvement in the children's benefit is an important follow-up to Canada's co-sponsorship of the World Summit for Children.

As hon. members will recall, a children's bureau with responsibilities concerning all matters relating to children was recently created within the Department of National Health and Welfare. Speaking on behalf of the federal cabinet spokesperson for children, I believe this measure which provides for a greater investment in children is not only good for children but is good for all of us.

Certain minor proposed amendments are also of particular importance to children. One such amendment will provide for the conversion from a CPP disabled contributor's child benefit to a CPP orphan's benefit without application. The requirement under the existing legislation for making an orphan's benefit application on the death of a CPP disabled contributor can result in the interruption of payment for children at a very difficult time. The proposal that we are debating here today will ensure that there will be uninterrupted payments.

The legislation will also provide CPP children's benefits to a child who comes under the care and custody of a CPP contributor after the contributor becomes disabled. Under the existing legislation only a natural child born after the month of a disability and a child legally adopted after that month can receive the benefit. The proposed measures ensure the equal treatment of children under this program.

Now I would like to turn to the matter of financing the Canada Pension Plan. As part of the 1987 provincial agreement on financing a 25-year schedule of CPP contribution rates was established with a view of ensuring the long-term stability of the plan.

Federal and provincial finance ministers are required to review this schedule every five years on the basis of updated actuarial protections. The legislation requires the Office of the Superintendent of Financial Institutions to prepare an actuarial report on the financial state of the plan every three years.

In preparing this report myriad factors including death rates, life expectancies, wage growth, inflation, labour force participation and so on are considered in order to arrive at an educated best guess estimate of the plan's projected revenues and expenditures. This information is an important input into the review process. Hence the stable, sound and long-term financing of the plan.

According to the latest CPP actuarial report which was tabled in this House on January 22, 1990, my hon. colleague, the Minister of Industry, Science and Technology and Minister for International Trade today and former Minister of Finance, stated: "The CPP expenditures are expected to be higher than previously estimated both now and in the future". Finance ministers have therefore recommended that higher contribution rates are necessary to ensure sufficient revenues to pay for the higher estimated expenditures.

I would like to take this opportunity to enlighten hon. members as to the reasons behind the proposed increases. Major reasons behind the higher expenditures are that Canadians are having fewer children today and are living longer than expected in the previous actuarial reports. Expenditures are also expected to be higher because the expectations of increases in Canadian productivity over time has been lowered from the previous report.

When we take all these things into account these are the reasons behind the change in the scheduled rates, as well as a higher than expected take-up of the early retirement feature which became available in 1987. There has been some effectiveness in the short-term expenditure estimates.

However I really want to emphasize today that the actuarial report continues to indicate that the long-term impact of early retirement is truly cost neutral to the plan.

Under the existing 25-year schedule of rates the combined contribution rate for employers and employees is scheduled to increase in steps up to 7.6 per cent in the year 2011. Under the new legislation the combined contribution rate will increase annually in steps from 4.6 per cent in 1991 to 9.1 per cent in 2011 and to 10.1 per cent in 2016. The contribution rates are to be increased in stages. The first stage of rate increases is in the process of being implemented by regulation. The second stage of increases is to be implemented by this

new legislation. The two-step process is intended to ensure that the new rates will be in effect by January 1, 1992.

• (1220)

The proposed adjustment in the contribution rate increases and the extension of the rate schedule by five more years ensures the continued soundness and financial viability of the Canada Pension Plan.

The Quebec Pension Plan contribution rates will be increased by identical amounts over the next five years. This will ensure that the important principle of parallelism in contribution rates between the two plans will be maintained.

The required amending bill for the children's benefit increase and the revision to the rate schedule provides an opportunity to include a number of minor amendments to the CPP. These minor amendments are an insignificant cost. At the same time they would improve administration, make limited improvements to eligibility rules and clarify certain sections of the legislation.

I would like, however, to direct hon. members' attention to certain amendments which may be of particular interest to CPP beneficiaries. We are proposing to amend the legislation so that the benefit eligibility of CPP contributors who are unable to apply for benefits in time because of incapacity would be protected. This amendment will ensure that protection is provided to those who are simply unable to meet the eligibility requirements through no fault of their own.

The Canada Pension Plan would also be amended to improve service through the sharing of information among the Old Age Security, the Canada Pension Plan and family allowance programs.

People expect when they advise staff of one of our programs of an address change that this information is then shared with either of the other two programs. The existing legislation that we have today does not provide for the sharing of this information. As a result people must provide the same information to each benefit program. This can be frustrating for all Canadians. We intend to meet the expectations of our clients by eliminating this requirement through the proposed amendment.

There is already a good precedent in the legislation for this in that information can be shared between Health and Welfare Canada and Veterans Affairs Canada to serve better the interests of veterans, most of whom are also receiving the Old Age Security benefits. The overlap between OAS and CPP retirement beneficiaries is even greater in terms of numbers. In fact a majority of Canada's seniors receive both of these benefits.

The proposed bill would also enable information sharing between these three income security programs and provincial administrations in limited circumstances. Provinces provide various benefits and forms of assistance to persons who are also CPP, OAS and family allowance clients. The existing legislation limits the sharing of personal information regardless of the extent to which the welfare of the client could be enhanced by the provision of such information. Our clients, Canadians, expect more from us. The proposed measure would allow a faster provision of provincial benefits and services for these dual clients. In short, information sharing is going to streamline the application and approval process and ensure payments are issued to our clients more quickly. The result, as I said, is going to be faster, better, more efficient service.

The proposed legislation will allow the reimbursement of CPP disability benefits to the administrator of a disability income plan under approved conditions at the beneficiary's request. Currently some long-term disability insurance plans withhold a portion of the disability benefit from clients while they wait for the CPP determination to be made. This can cause financial difficulty for the disabled individual.

The proposed change would allow disability benefit applicants to avoid this problem and ensure that the large majority of disability plans will be willing to guarantee payment of the full amount of the disability entitlement between the onset of a private benefit and the award of the CPP disability benefit. Clients will be assured of receiving their full entitlement immediately from the company plan.

Since the CPP's inception, social changes such as the increased diversity of family structures and the greater participation of women in the labour force have rendered the survival benefits structure increasingly inappropriate. Given these social changes, many of us have

questioned whether a low lifetime survivor benefit is the most appropriate way of assisting a surviving spouse.

In 1986 finance ministers had mandated a federal–provincial working group to develop a new approach to survivor benefits more appropriate to meeting the social needs. In September 1987 a new approach was outlined in a federal consultation paper entitled "Survivor Benefits Under the Canada Pension Plan". Essentially it aimed at facilitating the independence of a survivor rather than encouraging dependence.

The paper was tabled in the House of Commons and referred to a parliamentary committee. The parliamentary committee consulted Canadians on the future of the CPP survivor benefits. After public consultations the committee issued its report in April 1988. The views and the concerns expressed by the committee were taken into consideration by the federal and provincial governments in further discussions.

On January 28, 1991 federal and provincial finance ministers reached an agreement on the CPP children's benefit increase and on the CPP financing we are discussing here today in the House. They were not able to arrive at a consensus on an over–all reform of CPP survivor benefits at that particular time.

The federal and provincial finance ministers generally agreed on the need to reform the CPP survivor benefit structure. However, the changes that were under consideration would have required contribution rate increases beyond the schedule now agreed upon.

I believe that there is a need to pursue the modernization of the CPP survivor benefit structure and the Minister of National Health and Welfare has conveyed this message to all his provincial counterparts.

• (1230)

This government remains sensitive to the concerns and opinions expressed thus far by all interested groups across Canada. It remains committed to this important issue and the Department of National Health and Welfare will vigorously pursue it in order to reach a federal–provincial consensus.

The government has introduced a number of initiatives which have strengthened the income situation of Canadian families who are most in need. Changes to the CPP in 1987 included a substantial increase in disability benefits. The increase in the flat rate component of the payment is of greater benefit to lower income families. As well, the 1987 CPP changes included the payment of two benefits where the earnings of both parents were lost due to death or disability and allowed the payment regardless of the child's marital status. Prior to that change, only the highest of the two benefits was payable.

The federal government also introduced important amendments to the federal Pension Benefits Standards Act which governs employer sponsored pension plans in federally regulated industries. The provisions improved the portability of pensions, increased flexibility in the eligibility age for retirement pensions and provided for the earlier vesting of pension credits. Many provinces have subsequently amended their pension standards legislation in similar ways.

As part of income tax reform, the federal government amended the income tax regulation to introduce higher maximum contribution limits for Registered Retirement Savings Plan contributions. The maximum contribution limit, which is $11,500, in 1991 will increase by $1,000 per year to $15,500 in 1995. This will enable Canadians to better provide for their own retirement.

Important changes have also been made to a number of federal income supplementary programs. The refundable child tax credit, which is paid to low and middle income families, has been substantially increased. It has been substantially enriched during this government's mandate. The maximum benefit was increased from $384 per child in 1985 to $585 per child in 1991. A new supplement to the child tax credit was introduced in 1988 for children aged six years or under. The government introduced a prepayment of both benefits in November of each year in order to enhance the benefits' responsiveness to the needs of Canadian families.

As well, the refundable goods and service tax credit replaced the federal sales tax credit and provides enhanced benefits to lower income Canadians.

The child tax exemption, which was of greatest value to the higher income families, was replaced in 1988 by a new dependent child credit that increases for third and subsequent children in a family. The conversion of this and other personal tax exemptions to tax credits under

federal tax reform directs more resources to those in need. It gives more benefit and more resources to the lower and middle income earners. As well, higher limits on the child care expenses deduction for children six years of age and under and children with special needs came into effect in 1988.

As this brief summary reveals, the government has acted in a variety of ways to improve the income situation of those who are most vulnerable and in greatest need.

The proposed changes contained in this CPP bill, as with other similar initiatives, respect the government's desire to put its fiscal house in order. The children's benefit increase and revised contribution rate schedule will not directly affect the government's budgetary position since they are part of a separate CPP account. However, higher contribution rates will affect this position to some extent as contributions to the plan are creditable for the purpose of calculating your personal income tax. The changes are also fiscally responsible within the financing context of the plan itself.

The amendments to the contribution rate schedule will ensure that the Canada Pension Plan will continue to play the fundamental role in the Canadian income security system that was envisioned decades ago. While there are many competing interests in the area of social policy, the government believes it is essential to pay special regard to the interests and concerns of contributors and taxpayers alike.

As I indicated earlier, the legislative changes of which we speak will require the approval of two-thirds of the provinces having two-thirds of the population after the bill has received royal assent. As hon. members will note, there is a limited time to ensure that the benefit improvements this bill contains can be delivered in time for the proposed effective date of January 1, 1992.

With this in mind, I would really like to express my deep appreciation to hon. members in advance for the co-operative spirit which I hope and which I am sure they will exhibit in the examination of the legislation that is before us here today.

In closing, Mr. Speaker, I would like to use this occasion to reassure all the members of the House and to reassure the 9.5 million Canadians who contribute to the plan, and their families, that the Canada Pension Plan will continue to meet its obligations to Canadians both today and in the future.

The creation of the Canada and Quebec pension plans was accomplished through remarkable foresight and tremendous determination on behalf of 11 governments and millions and millions of Canadians in the early 1960s. Today the Canada Pension Plan is not only healthy, it is thriving. It continues to grow and evolve as Canadians themselves grow and evolve. Indeed, it is no exaggeration to state that the entire Canadian pension system is based to a great extent on the continued strength and vitality of these plans. They are the key elements of the Canadian retirement income system. The federal Old Age Security program provides a basic income to senior Canadians. Canada and Quebec pension plans provide earnings related support to contributors and their families above that provided by the basic OAS. A private pension system includes the provisions individuals make for themselves in the event of retirement, disability or even death.

The CPP and the QPP are key elements in the evolution of this country's social policy and are in their own way important symbols of our nationhood. They are prime examples of our ability to find unique solutions to common problems. In a more practical everyday sense they are a concrete reminder of our long-standing obligations to one another. Let us take this to heart as we begin the plans for the next quarter century.

• (1240)

Let me go over the proposed changes to the Canada Pension Plan once again so that all of us in the House have it clear in our minds. We have to keep the plan on a sound financial basis. We are also going to increase the benefits to children of deceased and disabled persons by $35 to close to $150 per month.

There is a 25-year schedule agreed upon by the federal and provincial ministers which is reviewed and updated every five years so that we will always have the 25-year schedule in front of us to make the CPP financially and fiscally viable. The actuarial projections indicate the complete possibility, what the rate increases would be,

and that the proposed increases are gradually going to raise the combined employer—employee rate, as I mentioned before, from 4.6 per cent in 1991 to 9.1 per cent in 2011 and 10.1 per cent in 2016.

I want to thank the House. I look forward to discussing the major changes as well as the minor changes to make the system more efficient and more effective and sharing the information between our security assistance, CPP, OAS and family allowance, with the provinces. It is certainly well overdue.

I want to tell my colleagues on all sides of the House that I will work with them diligently to make sure we have the best plan possible for Canadians to support the CPP.

Mr. Parker: Mr. Speaker, I wonder if the minister would allow a question.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the hon. member to ask a question?

Some hon. members: Agreed.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I want to thank the House for allowing me to ask this question of the member who has just spoken on behalf of the minister. I will make it very brief.

The question is regarding the Canada Pension Plan. It is one we are all faced with when we are dealing with the plan, that of disability. The current definition has two components. The applicant's disability has to be severe and prolonged. I am sure we all know that the interpretation of that within our Canada Pension Plan is something we all find very hard to deal with. That interpretation is one that we do not always get the same answer to when people are applying for a disability pension.

When we are looking at these proposed changes I wonder if this is not the time for us to find a way of defining what that means specifically. When applicants are faced with a disability and feel that they are entitled to their disability claim there is no way of interpreting that definition. I wonder if the member would respond to that.

Another difficult clause relating to the Canada Pension Plan is the part about disability pension when someone passes away and the survivor makes a claim under the survivor's benefit. If it is a disability claim it is not handled by the provinces. It has to be processed through Ottawa with delay and it causes pain to the survivor.

I have a case in mind in which a person had passed away and the survivor submitted her claim. The cheque kept coming month in and month out, four or five months after the person had passed away. He had passed away in May and the survivor's benefits came through in September. I find some problems within the Canada Pension Act in the disability claim. When it comes to a survivor it is much harder to process.

I would just like to ask the member if the government would look at those two areas as areas in which some changes could be made.

Mrs. Sparrow: Mr. Speaker, I certainly appreciate the two questions my colleague has raised in the House with regard to defining a disability. It is certainly a grey area for what is a complete severe disability and the inability of the person to hold down employment. With regard to that there certainly is the minister's discretion in certain areas. Within the bill we are changing the timing from a 12–month to a 9–month turnaround time with regard to this. The minister does have the right to review this, but setting down the terms of true disability obviously is one area that we could debate.

Within the department we do have a very detailed and well precedented definition. More information needs to get out to Canadians as to what is put down in this detailed definition. I certainly will provide the member with this if perhaps he has not had the opportunity to review the definition.

The second question had to do with the disability pension for the survivor. There is a time difference there. Within this particular bill the Government of Canada, working through the provinces and private insurance companies or workers' compensation, realizes that there can be hardship on people. We hope, through this legislation, to have the private insurance companies or workers' compensation paying the full rates and then a portion of the benefit would have to be paid back.

The orphan's benefit provision in the bill is going to allow more continuity, and I referred to this in my speech. With regard to children we will be able to facilitate that much faster and not have that long–term period in which there is financial difficulty.

I certainly will provide my colleague with a copy of the definition of disability and refer him to that part where we can provide the benefits faster and sooner for people so they do not suffer.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please. This is not a question and comment period, unless hon. members again unanimously agree to allow another member to ask a question.

Is there unanimous consent to allow the hon. member to ask a question?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The hon. member has the floor.

[*English*]

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to compliment the member for Calgary Southwest on her remarks this morning.

In the area of disability pensions I welcome the changes in bringing the system back up to date.

• (1250)

I find that in most of the disability cases that we are presented with as members of Parliament, the people who are on disability pensions have very few resources and have great difficulty in the processing of these disability pensions.

Quite frankly from time to time I have found that the departments have been short in resources. It seems to me that in an area like disability we should make sure that particular division within the department is really given the kind of public service support so that those people who are applying get a sense of comfort and a speedy response.

When someone with a family of two or three children who is eligible for a disability pension has to wait sometimes two or three years to get it, it causes tension and frustration not only for a marriage but for the children and everything. It really causes a lot of pain.

I know that the act is not designed to cause that kind of frustration, but it would seem to me that we should somehow suggest to the public servants who process these claims that we have to go out of our way to make sure those disability pensions are processed in an expeditious manner.

Mrs. Sparrow: Mr. Speaker, I certainly appreciate the comments of my colleague from Broadview—Greenwood.

I know that he has always in this House spoken very deeply and sincerely with regard to people in need and people at the lower end of the income scale. I certainly share his concerns for people with disabilities and the time lag with regard to the processing of the claims. I certainly will take his words to heart and through the minister discuss this with the department.

Claims of people with disabilities should be processed as quickly as possible. I think this is something that the department has been kept apprised of with regard to needing the medical evidence that is necessary. Sometimes it is slow for the disabled person to provide and get it through. It is perhaps a long appeal period and there are some delays, but that is why we have one amendment within the bill with regard to reducing that first appeal period of time from one year down to 90 days.

Unfortunately the disabled person may lag out that time and not appeal for the year. It hurts. Financially they are hurt, there could be marriage break-ups, and indeed the youngsters suffer.

One of the amendments within the bill is to reduce that appeal period down to the 90 days so we can process faster and get the funds into the hands of the disabled.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I am pleased to rise on second reading of Bill C-39.

Constituents of Winnipeg North would like to see me debate this very important piece of legislation, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act.

Why then would I the other night wake up from a sound sleep engulfed in a feeling of dread? Why have I been troubled for days about this upcoming debate which I, as critic for health and welfare for my Liberal caucus, am to lead?

On the surface this is a necessary bill. It will do two things. First, it will raise the Canada Pension Plan contribution rate which the government says is necessary to keep the plan solvent. Second, it will give more money to the survivors of the plan's participants.

Who could argue against it? Who could argue against good health for the Canada Pension Plan and for the

financial security of children whose parents have died? No one would argue against such objectives.

I still remained troubled for a while. The other night it fell into place as I was reading my clipping files. The *London Free Press* on June 30, 1990 said: "Pension poker: The Canada Pension Plan is billions of dollars in debt. How much should you rely on it to support you in your old age? That depends on how much you trust governments".

The Ottawa Citizen on November 29 last year said: "Canada Pension Plan fund faces shortage". The *St. John's Evening Telegram*, February 1 this year, said: "Payroll tax big money raiser. The hike in Canada Pension Plan payments proposed by the finance minister won't likely produce the bellyaching that comes with most tax increases", indicating that this is a form of indirect taxation.

On February 10 of this year *The Calgary Herald*, a voice from the west said: "Tax in all but name". *The Ottawa Citizen* on October 25 of this year said: "CPP contributions to double. Levy rising over 20 years to prevent plan's insolvency".

As I read my clipping files on this issue I really remained troubled. Then on November 15 of this year *The Globe and Mail* said: "Panel", referring to the cross country video-conference panel, "pleads for survival of medicare. The cross-country video conference blasts government health care cuts". On November 15, this month, *The Toronto Star* said: "More federal cuts loom".

I truly remain troubled about this bill, about what this government has done.

Last year the government introduced Bill C-69 followed by Bill C-20. Both these bills froze transfer payments to the provinces. Bill C-32 put a cap on the Canada Assistance Plan. Furthermore, a Supreme Court decision determined that the government has *carte blanche* to further cap, cut and freeze.

It is my hope that the government does not take the Supreme Court ruling as an open door for its policy that truly has hit the social conscience of Canadians and has damaged the social conscience of this country.

Provinces are dying from lack of funds. They cannot pay their civil servants. Hospitals are running up record deficits. The future looks more grim than ever.

Last January the former Minister of Finance when meeting with his provincial counterparts in Toronto struck a provincial agreement on the Canada Pension Plan. We heard the parliamentary secretary tell us about it too. I believe there are two parts to that deal: to provide for the solvency of the plan and to raise the credit limit of the provinces. I repeat, to raise the credit limit of the provinces.

• (1300)

In light of the reduction in transfer payments the federal government would raise rates for the Canada Pension Plan. All or most of the surplus money in the pay as you go plan would be lent to the provinces on top of the $42 billion in plan money provinces already have in loans. The provinces in turn pay interest which pays for current needs of CPP participants.

It is no secret that the CPP is being used by the provinces for their own needs. Nor is it a secret that it is highly unlikely the provinces will ever be able to repay the money borrowed.

Is it right for the federal government intent on lowering its own federal deficit to aid the provinces in running up their deficits? Is it right for the federal government to cut funds to the provinces and then to throw another tax on workers and businesses because it has pushed the provinces into debt?

I fear this bill is not about the Canada Pension Plan and orphans *per se*. It is about taxing employers and employees in order to have more money to lend the provinces quietly. Will that money be safe in 10 years when transfer payments according to the health coalition called HEAL will have been reduced to zero? I fear this bill is about reducing the federal debt at the expense of Canadian businesses and our workers. It is about half-truths and money that rightfully belongs to the workers of our country. It is about holding the Canada Pension Plan and children for ransom.

Politicians come and go. How many of the people here today will be here in 20 years when the baby boom generation is ready to retire and needs pension funds? Who will they turn to when the coffers are bare and the provinces cannot return the interest much less the principal on massive CPP loans?

Bill C-39 is the act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act. These are three acts which even this government has said in debate define the commitment to care for the

majority of Canadians, children and parents, our workers and our seniors. How could anyone not reach out a hand to help these groups to keep the Canada Pension Plan in good health and to raise survivors' benefits?

If only it were that simple. I am frustrated with the workings of this government which makes bills like this necessary because of poor management. I feel as though I am in the middle of a war zone with Canada being attacked from within. If all Canadians could hide in bunkers underground until the end of this Tory rule, until the next election, I am sure we would all emerge to find they left us a country in ruin. But at least we would not have had to watch it happen, watch it dismantled piece by piece.

For all Canadians at least until November 1993 at the latest there is no escape from the Tory bungling and bruising of the Canadian economy and the Canadian people. Why is a bill like this necessary? Why must the government raise contributions to the Canada Pension Plan? This is the crux of this bill. Raising contributions is the crucial question.

I submit that the other clauses that affect children and benefit children are necessary. However I regret to say they are not the main concern of this government.

If the Tories really wanted to help children they would not have waited until one year or so before the federal election to dip into slush funds and flood news-rooms with press releases on their generosity toward the youth of this country.

Do not misunderstand me. I want survivors' benefits raised. I would like to thank the Minister of National Health and Welfare for finally bringing this part of the amendment into the House of Commons.

Let us now deal with raising contributions to the Canada Pension Plan. That is the crucial question as defined in this bill. Departmental officials of health and welfare say that miscalculations were made on birth and death rates 20 years ago when the CPP was implemented. At that time it was estimated that six workers would be available to provide for each retired worker in the future. Because of declining birth rates, diminishing worker productivity and early retirement there will be only three workers supporting each retiree in the next 20 years.

The government in contrast to the health and welfare officials claims that the CPP has not been mismanaged. The changes in the economy have little effect on the CPP because the unemployed do not receive benefits. However my concern would be that neither do the unemployed make contributions. This provides less support for today's retired and disabled workers and for the future.

By the government's own reckoning "short-term increases and expenditures are due to a higher than expected take-up of early retirement and lower than expected productivity increases in the Canadian economy". I repeat: "lower than expected productivity in the Canadian economy". These are the government's own words. The government has failed in managing the Canadian economy.

On January 30, 1991, the *Winnipeg Free Press*, a publication in my home province of Manitoba, printed an editorial headlined "Making the Pensions Sound". Let me quote some of the statements in this editorial. It opened with:

> Finance Minister Michael Wilson had a reassuring message for Canadian wage earners this week. Because he and the provincial ministers have courageously raised the Canada and Quebec pension plan premiums—again—the working people of Canada can rest easy in the knowledge that their government pensions are safe.

That was the end of the opening paragraph. The editorial then went on to indicate what what the former finance minister was quoted as saying:

> Canadians can now be assured, he said, "that their pension benefits are secure and the fund is sound and is financially able to meet its obligations".

Those were the words of the former finance minister of this government. The editorial then went on to ask in the third paragraph: "Sound familiar?"

I will quote from another paragraph of this editorial:

> Mr. Epp had persuaded Parliament in 1986 to write an early retirement option into the CPP, promising that it would not cost a penny.

It continued, and I would like to quote the minister as he was quoted in the editorial:

> —Mr. Epp told the Commons June 11, 1986—"that the implementation of this provision for flexible retirement will not add to the long term costs of the plan".

• (1310)

This morning we heard that this is one of the arguments being used by this government today. That is why we are raising rates. The editorial rightly said that the

announcement made by this government today truly is a disagreeable surprise. In other words the government has made a wrong calculation.

The government has made a wrong calculation in the past and has squandered so quickly the premium increases imposed four years ago, how can we then trust the many bases and reasons it offered for why it would like to increase the CPP rates to make it solvent? It is no wonder I was troubled for many nights and I remained troubled as I prepared for this debate.

It is my belief that early retirement has become synonymous with troubled economic times. Employees are told to retire instead of facing layoffs. It is not a joyous occasion when husband and wife pack the station wagon and head for warmer climates. It is often a shock for women and men with years of productive service ahead of them who may not be financially prepared for early retirement and who would much rather be contributors to the CPP than beneficiaries.

All over Canada mid-sized and large businesses are downsizing in the face of increased costs arising from a slow economy, crushing taxes and diminishing returns. These taxes include next week's planned surprise for business. It is the increase in unemployment insurance premiums by another six to twelve per cent.

The government says this recession that we now have in the country is on the wane. People from all sectors of the work force have lost their jobs. Many middle managers and selectively skilled workers found their industries pulled out from under them like a rug and shipped to another country.

The government now says that a decline in the birth rate and increasing longevity have also led to the need for an increase in CPP contributions. Interestingly enough a recent national child symposium in Ottawa held less than a month ago pointed out something the government has known for years. This generation of children is becoming the lost generation. It will be tumbled in a cycle of poverty.

I would like to quote from an excellent document to paint the picture of poverty so that this government hopefully one day may truly feel and realize that it has failed to address this issue of child poverty. This document is called *Beyond Rhetoric: A New American Agenda for Children and Families*, the final report of the National Commission on Children south of the border. It was published this year. Let me read the following:

> Although many children grow up healthy and happy and strong in stable families, far too many do not. They are children whose parents are too stressed and busy to provide caring attention and guidance. They are children who grow up without the material support and personal involvement of their mothers and fathers. They are children who are poor, whose families cannot adequately feed and clothe them and provide safe secure homes. They are children who are victims of abuse and neglect at the hands of adults they love and trust, as well as those they do not even know. They are children who are born too early and too small, who face a lifetime of chronic illness and disability.
>
> They are children who enter school ill prepared for the rigours of learning, who fail to develop the skills and attitudes needed to get good jobs and become responsible members of adult society. They are children who lack hope for what their lives can become, who believe they have little to lose by dropping out of school, having a baby as unmarried teenagers, committing violent crimes, or taking their own lives.

If this government cannot act on a vital issue of child poverty with a national blueprint, I do not know whether I can ever say that this government has a social conscience. Perhaps the government would say: "Well that is a document from the United States, that is a document from south of the border". Before the government is tempted to make that argument public, let me say as I alluded to earlier that on October 27 to 30, 1991 the symposium "Canada's Children—The Priority for the 90s" was held in Ottawa by a coalition of people, a coalition of organizations, some 15 of them, all concerned for Canada's children. They have pointed out the identical picture of the plight of Canada's poor children.

How many of today's youth, with an unemployment rate of 17 per cent and with over one million living in poverty, will become lasting contributors to the Canada Pension Plan? History shows most will become chronically unemployed and underemployed, suffer poor health and beget children who follow in their sad footsteps. I hope and pray, for the sake of all Canada, that this prophecy never comes to be.

Is the government quizzical about lower birth rates? Let me explain some facts of life. In lean times people are afraid to have children. They fear not being able to raise them to a standard of decency because they are afraid of job losses, of rising taxes, of crime, of drugs, of environmental disaster and of poverty. I believe parents today are worried about the future. Many cannot afford

to have children, the most precious aspiration of humanity.

Men and women of my generation often had four children, as my wife and I do, but today most families can afford no more than two children on a middle class income. Less than 20 years ago, I would like to remind this government, one partner working 48 hours per week on minimum wage earned as much as today's husband and wife working together 46 hours per week on a minimum wage. That is a very sad commentary on the Canadian social conscience. I think the government must take the brunt of that failure when trying to convince Canadians it truly had a commitment. Is it any wonder then that the birth rate is declining and that there are fewer contributors to the CPP?

The government claims that the Canada Pension Plan has not been mismanaged, but the advice of the Canadian Institute of Actuaries according to the Canadian Chamber of Commerce was not sought before these new contribution rates were decided. In future I would recommend the government seek the counsel of said group before making major decisions about the CPP unless it has something to hide.

Why do I say that?

• (1320)

Why do I make this recommendation to the government? In February of last year the National Council on Welfare in its report entitled *Pension Reform* said: "We believe it is fundamentally wrong that a public pension program set up to cover the entire paid labour force is incapable of producing benefits large enough to keep most of its beneficiaries out of poverty". To me that means that this government needs some help. This government needs some sound financial advisers. This Liberal caucus is ready to provide that advice.

There are other aspects of this bill I do not like. The government has the perfect opportunity here to address the problem of people who have lost disability benefits because they waited too long to file a claim. My colleague from Broadview—Greenwood alluded to that in his earlier questions.

Most of these people with disabilities, those who may have suffered from cerebral palsy as a consequence of problems during birth, chronic fatigue syndrome, a disease we are still trying to elucidate in the medical profession, environmental illnesses, migraines or other often little understood diseases, have refused to admit they are ill. Many Canadians would not like to admit that they are disabled because they would like to work. When they finally admit they cannot work because it is physically impossible, the time has passed to apply for disability. They appeal and the appeals are often rejected. They will get no help from the government proposal to reduce the time limit for its first level appeals from one year to 90 days.

Government studies have shown that if people are given 90 days they will take 90 days. This is the reasoning behind the cut in the appeal time proposed by this government. If they are given a year they will take a year, the government contends.

I think one of the major problems with the system is not truly the amount of time given. It is the amount of compassion and understanding shown. I wish the government would legislate that into this bill.

I believe many people fall through the cracks, as dozens of letters to my office attest. The government's move, I must say, to remove a provision that prevented payment of a disabled contributor's child benefit on behalf of a child who is adopted or comes under the custody and control of a contributor after the onset of disability is truly welcome. I commend this and although it applies to only a handful of children, they too need this assistance that they were once denied.

I have another concern about this bill. It relates to the seemingly harmless information sharing process proposed in this bill. Let me set before the House a possible scenario involving federal—provincial information sharing.

Let us take, for example, my home province of Manitoba. A cash strapped province like mine that has suffered from federal cutbacks in transfer payments needs money for social services. Therefore the province looks to British Columbia as an example or to Quebec. British Columbia charges medicare premiums for health care and Quebec charges user fees for emergency room services.

Premiums are discouraged and user fees are outlawed by the Canada Health Act. Have we seen any steps on the part of this government to provide leadership and to ensure that the principles of the Canada Health Act,

including the prohibitions in the Canada Health Act, are truly enforced?

Manitoba perhaps could then be tempted to bring in user fees and premiums, knowing there would be no repercussions. I must say that one member of this government from my city of Winnipeg and her riding had passed a resolution favouring the imposition of user fees.

If there is federal-provincial government information sharing, the arrangements that could be made may not be known later by the public. Therefore there could be no public outcry when such things as the imposition of user fees is applied unknowingly. Had the government already thought of that? With the new information sharing between federal and provincial governments those who cannot afford to pay will not have to pay, they can contend. Therefore one of the greatest arguments against user fees could disappear.

With federal records of family allowance, Old Age Security and the Canada Pension Plan, provinces will know exactly who can and who cannot afford to pay for health services. They can cross reference these people with those on their own welfare rolls and perhaps send them poverty cards to exempt them from user fees or premiums.

This may seem Orwellian in nature, but it is not so incredible. I have seen this government make deals that are even more sly than the one I am suggesting may be afoot. Not only does the federal government not enforce the Canada Health Act. It also wants to give provinces information that could help them establish user fees.

Let me conclude by saying that despite some good points in this bill, especially regarding the increase in benefits for survivors, I want clarification of other clauses. The National Council on Welfare suggested that increases in contributions can go hand in hand with increased benefits. I think they should be explored. Furthermore, I will be suggesting amendments when this bill reaches committee stage as I am sure most of my colleagues in our caucus will do in the hope of ironing out some of its threats and flaws.

In conclusion, while we support the principle of this bill, while we support that this bill should go to the committee stage for closer scrutiny and examination, I would like to send signals to this government that it should not use this bill as a barrier, as a scapegoat for what this government has failed to do for the Canadian economy, and the Canadian people.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I am pleased to rise in the debate on Bill C-39, an act to amend the Canada Pension Plan, the Family Allowance Act and the Old Age Security Act.

We on this side of the House feel we must support this bill. It is an increase of $35 a month for the children of the disabled and for orphans.

I am also pleased to participate in the debate on Bill C-39 because I feel we have a real opportunity to make some meaningful progress on issues affecting the Canada Pension Plan. I also believe that we as parliamentarians now have an opportunity to focus on the state of our support for seniors in general. I hope that we all use this opportunity to consider a wider range of issues.

I would like to begin by acknowledging the increased benefits for children of the disabled and orphans contained in the bill. I believe this is a step in the right direction. There are a number of questions I have concerning the proposed legislation and a number of suggestions that I will put forward to improve Bill C-39.

• (1330)

As I have already stated, I believe we now have an opportunity to address some of the long-standing shortcomings of the CPP. As pension critic for the New Democratic Party I have seen first hand some of the problems with the CPP disability scheme.

I would like to see some progress made on the definition of the term "disability". The current definition has two components. The applicant's disability has to be severe and prolonged. I know of no one who has ever been able to describe or to give a definition of "severe" and "prolonged". Many doctors examining applicants are finding it harder and harder to define in a way that really describes the problem that the individual has when applying for a disability pension.

Some of the things that we see as parliamentarians are really discouraging. To see a family member, the bread-winner of a family, come into the office in some cases with arthritis so bad that he or she can hardly move, using a cane and being denied and having to go through the appeal process is discouraging. After lengthy appeals

and a lot of hardships they are finally able to convince authorities that they have a disability.

I feel that term must be looked at. We must look at it in very serious terms. In real terms the interpretation has often disqualified people working on a very part-time basis or people attending a training program or pursuing other educational opportunities.

What we are left with is a system in which people are penalized for making any attempt to remain independent and self-sufficient following their disability. By the simple act of pursuing part-time employment or training, a person takes the risk of losing their pension forever. The current system is not only unfair, but it is also counterproductive.

The disincentive has to be removed. We have to look at a system in which the training can take place and the extra opportunity to try to work themselves back into the system must be made available.

As it now stands, the CPP has pilot projects which allow for training and re-employment. It is important that we fully incorporate these programs into the system as a whole. It makes more sense to encourage retraining and reintegration into the work force than to present obstacles to people with disabilities.

The second test currently used is that the disability must be prolonged. I see cases daily in which people are legitimately disabled through serious accidents or illness and are caught in a trap. Their unemployment insurance sickness benefits run out after four months and they do not qualify for CPP disability benefits.

I would like to suggest that the definition of disability be changed in three ways to help the system work better. First, the definition should be changed from "severe" and "prolonged" to "significant" and "extended". Second, "significant" should be defined in such a way as to allow for limited employment opportunities as a first step to reintegration back into the work force.

Finally "prolonged" should be defined as at least four months so people are not impoverished because of unfortunate circumstances. There is another major flaw in existing legislation not addressed in Bill C-39. I believe that it is an area that every member of this House has to deal with at one time or another.

It concerns the 15-month limitation on applying for CPP disability. Bill C-39 addresses only one case: the mental incapacity of the contributor. We all have at least one constituent who has been ruled as ineligible because he or she applied too late. We are also unaware that there are many legitimate reasons for not applying in the first 15 months.

The number one reason that I have had to deal with is a simple lack of information. Many people are simply not aware that CPP has a disability component. Many people feel that they pay into their Canada Pension Plan and are not aware that there are provisions for disability claims and they do not claim them right away. When they do find out, they find themselves in a very unfortunate situation.

Even if a person has a little information the complexities of the system often create confusion as to whether they are eligible. Many people do not apply immediately.

Because they are receiving temporary benefits from workers' compensation or maybe a motor vehicle insurance or long-term disability insurance, they do not realize at the time that they are disqualifying themselves from CPP disability pensions. The problems are compounded for Canadians with low literacy skills and Canadians without access to advocacies.

I would be surprised if any of my colleagues have not experienced the frustration and anger of finding constituents disentitled forever because of the 15-month provision. I have been asked far too many times why the time frame exists at all. All I can say is I really have no idea why this time frame is there.

We now have an opportunity to get rid of this archaic provision which has hurt so many disabled Canadians. If a person was disabled two years ago, why should it matter that they are nine months late? If they are disabled, they are disabled and why should it matter that they are nine months late? If the government is worried about retroactive settlements, I can say it is my impression that most of the people I have dealt with would be more than happy with a limitation of retroactive settlements in exchange for benefits now.

I think that we could arrive at a cap that would address the government's fiscal concerns and also compensate disabled Canadians who have fallen victim to the 15–month deadline currently used.

A final area in which we could improve Bill C–39 involves amending the child rearing drop–out provisions which allow parents to exclude years from their contribution period when they are at home caring for a child under seven. I do not think it is unreasonable to extend this coverage to stay at home parents whose child is significantly disabled.

There are numerous other issues which involve the CPP system as well. Given the financial challenges facing CPP, can we still afford to lend pension fund surpluses to the provinces at preferred rates? Can we not close the gender gap that currently exists in CPP disability pensions?

I do not pretend to have addressed all of the concerns and suggested improvements Canadians have with this bill. I have tried to mention a number of areas in which the bill can be improved and I have tried to present them in a constructive manner. We have a real opportunity to reform pension legislation and I feel that we must take as much time as is needed. We must allow Canadians to put forward their views. In a country in which one–quarter of our seniors live below the poverty line, we cannot afford to waste this opportunity.

I would like to relate to some of the hardships that are taking place with regard to CPP. I think that it is an opportunity. I realize the deadline is January 1 so that these children can receive these moneys. The money is needed, but I do believe in all sincerity that our Canada pension scheme must be looked at in a more thorough manner. We must look at it in a serious way.

We cannot have a situation in which an elderly survivor is faced with having, after reporting the death of her spouse, that cheque coming to her home four months after and each month returning it and having that cheque coming back to her home. I find that very hard on those individuals.

• (1340)

Surely to goodness our legislation can be streamlined so that with survivor benefits, the bills concerning burial and so on are not received for as much as six months later because of the processing of these kinds of survivor benefits. We cannot have the situation in which young people are disabled and their families and their wives and children are sitting at home worrying from day to day whether their husband is going to qualify for a disability pension under the Canada Pension Plan for month after month, hearing after hearing, and then finally coming forward and being able to qualify. Surely to goodness in a country in which we have the provisions in place we can streamline the mechanism to ensure that these types of cases are not going to be delayed and we are going to be able to meet the requirements of the people we are serving.

I am looking forward to this bill going to committee and I am looking forward to placing amendments on behalf of the New Democratic Party. We will do everything possible to try and improve this piece of legislation.

Mr. Doug Fee (Red Deer): Mr. Speaker, I too am very pleased to rise on this debate and add a few comments to the discussion of Bill C–39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Securities Act.

Before starting to talk specifically in this debate, I just want to add an observation. I had a meeting with some nurses on the weekend. They were discussing why when legislation comes up individual members of Parliament do not get out and discuss the ramifications of that legislation with absolutely everyone who is directly involved in it. It makes a lot of good sense, because philosophically that is what we should be doing as members of Parliament. Our job is to get out and talk to our constituents and let them know what is going on, solicit feedback and reflect their feelings to this House.

I thought this morning as I prepared a few notes on what to say on Bill C–39 what a difficult task it would be to talk to absolutely every worker in our constituency and ask how the changes to Bill C–39 affect them. It is something that we do have to reflect on people. I share the comments of the previous speaker that it is something we should be talking about to as many Canadians as possible.

I have appreciated a lot of the comments I have heard this morning so far in the debate from both sides of the House. It is very obvious from the tones of the comments that members of this House on both sides share a concern for the welfare of Canadians and for the fiscal viability of our national programs. However like all

programs everyone seems to find it easy to support improved benefits, but unfortunately it is a little more difficult to find support for the necessary mechanisms to pay for those improved benefits. The same thing holds for all government programs and today it is illustrated by the changes proposed for the Canada Pension Plan.

Since 1966 Canadian workers have contributed along with their employers into the Canada or Quebec pension plans. The Canada Pension Plan has provided workers and their families with income for retirement and with financial help if the workers die or become disabled. From the debate this morning it is obvious that there is considerable sympathy for the disabled and concerns in some cases over the bureaucratic hurdles that those people have had to face in applying for those benefits. Like the previous speakers, I am very sympathetic but I want to direct my comments to how the Canada Pension Plan is funded.

This plan is financed primarily by contributions: equal contributions from workers and their employers and from interest on the accumulated plan reserves. As expenditures under the plan have risen and continue to rise, the federal government, working in close co-operation with the provinces, has taken steps to ensure that Canadians will always be able to rely upon their Canada Pension Plan for retirement, survivor or disability benefits which they have earned or will earn.

The Canada Pension Plan was established in 1966 after extensive consultation and negotiation with the provinces. Many times in this House I have heard members of Parliament refer to a specific year as significant. I have often wondered how they can remember dates and years. I remember 1966 and the introduction of this plan very well. It was my first year in the work force and my first year as a taxpayer. I can remember having a discussion with my father. He pointed out to me that I was to be one of the first group of Canadians who was to be able to draw eventually on the Canada Pension Plan after having contributed to it every year of my working life.

The pages are smiling. Perhaps they think 1966 makes it a long time ago that I went to work. I think I have a responsibility, not just on behalf of the pages who are starting and those of my generation that paid in 1966 and onward but to every working Canadian to make sure this plan does remain financially viable.

To finance this plan when it was introduced in 1966 the contribution rate was initially 3.6 per cent of contributory earnings. That was split evenly between the worker and the employer with 1.8 per cent being contributed by each. This rate remained in effect until 1986 which allowed a reserve of some $42 billion to be built up. That was built up because expenditures had been less than the plan's income from contributions and interests. From the start it was recognized that contribution rates would have to be reassessed in the mid-1980s as the plan began to mature. More recently it was recognized that the plan's financing requirements would have to change to reflect changing demographic conditions in Canada, including fertility and mortality rates.

We are all naturally pleased that Canadians are living longer, but the reality of the fact that Canadians are living longer means we have to recognize there are extra requirements on our social programs as people live longer and draw on this plan for a longer period of time.

It was this obvious reality that led the current government to undertake, as one of its first official functions after coming into office in 1984, to launch with the provinces a comprehensive review of the plan's financing. An agreement was reached in December 1985 with the provinces to put the Canada Pension Plan on a sound, long-term financial foundation and keep it there.

It is significant to note that it was not a unilateral federal decision. It was reached in consultation with the provinces. The member for Calgary Southwest mentioned this earlier in the debate this morning when she explained how these consultations were done and some of the steps that were involved in consulting with the provinces before the changes were proposed.

The Canada Pension Plan operates in all provinces except Quebec. I think we all know that. Quebec has a similar plan with similar benefits and identical contribution rates. There are currently some 10 million Canadians contributing to the Canada Pension Plan and 3 million more pay into the Quebec Pension Plan. Today there are more than 2.7 million people receiving pay-

ments from the Canada Pension Plan and some 800,000 receiving benefits from the Quebec plan.

As a fiscal Conservative sitting and thinking of this plan, I would rather back up 26 years and start over again. Unfortunately we cannot do that. I was just thinking of what great shape we would be in today if we could establish this plan on the same footing as private pension plans with the same requirements they have to face when they fund pension plans. This was not done and we cannot back up 26 years.

This plan is like public pension plans in virtually every industrial country. It was designed with a pay as you go approach. This means that each working age generation pays for the pensions of the previous generation. The security of the Canada Pension Plan benefit is therefore founded on the continuing commitment of the government and the people of Canada to maintain the plan.

In spite of the fact that I had some reservations about it there are also some advantages to this funding approach. They were able to pay benefits in the early days of the plan's lifetime without requiring extremely high rates of contribution. The problems of managing a large fund in the public domain are avoided.

We could argue at considerable length whether this is an advantage or disadvantage but currently the fund would need $400 billion to meet all of its liabilities, and a fund of that size would be difficult to manage. It is also a moot point to bring it up because we obviously do not have the funds to manage. Because Canada Pension Plan is essentially financed on a pay as you go basis the contributions must closely match the rising expenditures of the plan. Expenditures arise for three main reasons. First, the Canada Pension Plan is still maturing. That means more and more retired Canadians are receiving Canada Pension Plan benefits. Second, lower fertility and mortality rates have resulted in the aging of Canada's population. Third, benefits have been enriched on several occasions without corresponding increases in contribution rates to cover the additional costs such as benefits for the disabled.

• (1350)

Bill C-39 which we are currently debating would increase benefits to dependent children of deceased or disabled Canada Pension Plan contributors by $35 per month. That would take it up to a total of $148 per month.

We cannot ignore the reality of future costs. Projections of future spending anticipate that Canada Pension Plan expenditures will double over the next 40 years. This reflects the fact that more contributors are retiring and more contributors are living longer and drawing on the account.

It is very difficult to make statistics sound interesting, but it is important to this discussion to illustrate just how the expenditures have grown. When this plan was still in its infancy in 1970, the expenditures represented one-half of one per cent of contributory earnings. That was because there were very few people retiring at that time who had been participating and those who had, had contributed for only a very few years.

By 1975 the expenditures had increased to represent 1.4 per cent of all contributory earnings. In 1980 they had gone up to 2.7 per cent. In 1985 it was up to 4.3 per cent and in 1990 the expenditures in the program had increased to 6.1 per cent of all contributory earnings.

From this point we look at projections. It is projected that by the turn of the century, in nine years' time, the expenditures under the program will represent 7.5 per cent of contributory earnings. By the year 2010 it will be up to 8.6 per cent and up to 13 per cent by the year 2030.

These projections anticipate that Canada Pension Plan expenditures are going to double over the next 40 years and contributions are going to have to rise accordingly if we are going to maintain the fund.

In 1985, after extensive review involving the provinces and the general public, the federal and provincial governments agreed to establish a long-term financing program for the plan. This was a long-term plan that would ensure that contribution rates move smoothly and gradually to the levels required to meet future benefit outlays.

The legislation which implemented the agreement set a 25-year schedule of contribution rates so that employees, employers and self-employed persons would be aware of future contribution rates and plan accordingly. Rates under this schedule were set to rise in annual steps from the 1986 level of 3.6 per cent to 7.6 per cent in the year 2011.

The legislation also required that the federal and provincial governments review the existing schedule every five years to ensure the contribution rates would continue to be set at appropriate levels in the light of new actuarial projections. Five more years must also be added to the schedule. If this is not done by agreement among finance ministers then it will happen automatically under a formula which incorporates the financing principles in the 1986 legislation.

According to these financing principles, the plan's reserve is to be maintained at approximately two years of benefits. This reserve would be used to smooth out the effects on contribution rates of both expected and unexpected changes in economic and demographic conditions.

As a result of the first five-year review required for the 1986 legislation, federal and provincial ministers of finance agreed in January 1991 to adjust the contribution rates in the schedule to reflect new information provided in the most recent actuarial report. This report is called the 11th Statutory Actuarial Report. It identified the following trends that would create a need for higher rates of contribution to the plan in both the short and the long term.

Lower rates of fertility and mortality are resulting in a population with relatively fewer workers and more retired Canadians receiving benefits. Second, a drop-off in the rate of growth of worker productivity is resulting in slower increases than previously projected in wages on which rates are calculated.

If contribution rates were not increased, the reserve would fall to less than one-half a year of benefits by the year 2011, a level inconsistent with the target of two years of benefits established by the 1986 legislation. As a result finance ministers agreed that the combined employer—employee contribution rate should rise in steeper annual steps from the current 4.6 per cent rate. Under the new arrangement the contribution rate rises to 9.1 per cent in 2011 compared to 7.6 per cent in the 1986 schedule. The ministers also agreed to extend the schedule so that contribution rates would rise to 10.1 per cent in the year 2016.

What is the impact on employers and employees across Canada? Under the new rates workers who earn the average wage of $30,500 in 1991 are going to have to pay an additional $7 in 1992. The difference in contributions under the new rates will increase to $15 by 1993 and reach $42 by 1996. The net impact on worker's take home pay will be smaller since Canada Pension Plan is creditable under the personal income tax. I think it should be understood that employers pay the same amount in the plan as do employees.

Even with these increases the contribution rates compare favourably to those which currently exist under the public pension plans of most industrial countries. The future age structure of Canada's population in terms of the ratio of plan contributors to beneficiaries will be similar to those which already exist in many of the European countries today.

It is of great importance to Canadians particularly at this time that they see that their federal and provincial governments have a commitment to the long-term strength of our national institutions and respect for the viability of our economy. The Canada Pension Plan is one of the most important social security structures in our nation. I know that all members of this House are going to support the confirmation given by Bill C-39. The Canadian people are going to appreciate that confirmation knowing that governments are acting to keep their plan sound and secure now and in the future.

Mrs. Barbara Sparrow (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I want to share some concerns with my colleague from Red Deer with regard to disabilities. I also want to ask him more about the schedule and the contribution rates as they affect the working man and woman and the employer.

There is a reserve fund with regard to CPP of about $40 billion that gives a three-year trust there. Some people in the House today suggested that it is lent back to the provinces at preferred rates. That is not true. Those funds are lent back proportional to the contributions that are paid by the province. If the province of Alberta through the contributions pays *x* dollars into the fund and there is a surplus, that surplus is invested back in the province of Alberta at a very much lower rate than the market rates. It is taxpayers' money that is being invested back into the province where it came from at a much lower rate. I think this is good use of taxpayers' dollars and one that we should encourage.

The other was with regard to disabilities. My colleague from Red Deer knows quite well about people with disabilities perhaps not understanding the workings of the CPP. He knows that we have developed new manuals on disability provisions. They have gone to about 120 private insurance companies across Canada, plus every workers' compensation office across this country. Posters have been made and distributed. There are also kits for all MPs in this House with regard to CPP, especially the disability and the funding thereof. We have become far more pro-active with regard to helping those people so that they do not suffer too long.

The remarks of my colleague for Red Deer were extremely beneficial. He said that the schedule of rates was going to start to increase as of this January and then increase again in 1997.

• (1400)

For all the people across Canada, I wonder if he could reiterate just what those schedule rates will be. What does this mean, Mr. Speaker? I would like to ask the member for Red Deer what this means to the employer and to the employee. How much more is he or she going to be paying to keep this fund financially stable and viable right across the country?

Mr. Fee: Mr. Speaker, my colleague and I should have got together so I would have the right papers in front of me. She asked a great many questions. They were very good questions.

I mentioned how difficult it is to make a speech involving statistics that sounds interesting. Like the hon. member said, these charts and graphs are available and there have been extensive consultations across Canada.

I started my remarks by mentioning the story about the weekend and bringing one piece of legislation in front of a particular group and that particular group wanting to know why they had not been consulted in the earlier stages of the legislation.

We have in front of us today legislation that has involved extensive consultations with groups right across Canada. The member for Calgary Southwest mentioned the meetings with the workers' compensation groups and the insurance agencies. There have been employer groups and labour groups consulted. There has been tremendous consultation because this does impact on Canadians from coast to coast.

Every Canadian wants to know if they have a sound program in place and that their pension funds are safe. They also need to know how to plan.

I will get to the point very quickly. The member asked about the contribution rates. A plan has been established that sets them for a 25-year period. They are set at a rate which is going to continue to be shared between employer and employee. The contribution rate will increase at about .02 per cent per year each year until 1996 and .025 per cent beyond that.

Mr. Speaker: It being two o'clock p.m., the House will now proceed to Statements by Members Pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

REMEMBRANCE DAY

Mr. Geoff Scott (Hamilton—Wentworth): Mr. Speaker, thank you for recognizing me first because I wish to mention to the House our First Nations who came last during the Remembrance Day ceremony at the War Memorial here in Ottawa.

According to the Assembly of First Nations Chief, Ovide Mercredi, the wreath he laid on behalf of aboriginal veterans came at the close of the ceremony almost as an afterthought.

The Dominion Command of the Royal Canadian Legion which organized the November 11 program says the wreath it laid is on behalf of all Canadian veterans, native vets included. The federal government concedes that following the official party and the diplomatic corps, perhaps Canada's native people should be given a special spot since, as Ottawa puts it, Canada has always and will always be grateful to its native veterans.

This slight appears to be a classic case of perception being reality particularly at a critical moment in our nation's history. Canada's first citizens should not be treated last.

MEDICARE

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, recently an elderly Mississauga woman was being rushed to her local hospital. A short while later she was unloaded at a school parking lot because the ambulance has been told that there was no bed available for her anywhere in the city.

The Government of Ontario has since announced further bed closings and hospital cutbacks, blaming the ever-shrinking federal transfer payment. This is yet another example of how this government's assault on medicare is disabling health facilities across this country.

I call upon the government to acknowledge that its amputation of medicare funding is forcing the chronically ill to bear the human costs of federal economic mismanagement.

* * *

[*Translation*]

MINE TAILING SITES

Mr. Gabriel Desjardins (Témiscamingue): Mr. Speaker, the French CBC program *Le Point* has just done three reports on environmental problems in Abitibi—Témiscamingue.

I hope that these reports, which emphasize the scope of the environmental problem due mainly to mine tailing sites in our region, will finally get some action from the governments, in particular the Government of Quebec which is responsible for several of these sites.

These mine tailing sites cover a surface of more than 40 square kilometres, which is the equivalent of the distance between Montreal and Quebec City. These sites threaten not only our lakes and our subsoil, but also public health.

I therefore ask both levels of government to act jointly to create an environmental research centre in our region in order to find solutions to this serious problem that threatens our environment. This issue has become a priority for all my constituents.

[*English*]

MEDICARE

Mr. Jim Karpoff (Surrey North): Mr. Speaker, Sunday marked the 30th anniversary of the introduction of medicare in Canada. The passage by the CCF of the Saskatchewan Medicare Insurance Act of 1961 brought to Saskatchewan universal accessible medicare. This was followed by a national program passed in the House of Commons in 1966. In Saskatchewan, the implementation of universal provincial medicare required a protracted struggle and the resolution of a 17 day strike by the doctors of the province that were backed by the Liberal opposition and doctors' organizations in Canada and the United States.

It is time to salute the vision and determination of Saskatchewan innovators like Tommy Douglas and Woodrow Lloyd. It is time that we reaffirm our commitment to a national health care program.

The federal government must cease its cutbacks to medicare and resume its fair share of funding or national medicare will not survive another 30 years.

* * *

THE CONSTITUTION

Mrs. Edna Anderson (Simcoe Centre): Mr. Speaker, last Friday on CBC I heard a radio report claiming that the Leader of the Official Opposition blames this government for the constitutional pain Canadians are presently experiencing. He said that a constitution cannot be put together in a week and that the people of the country must be consulted.

It is incredible to me that these comments can be made by the person who is widely considered responsible for our present constitutional problems. The Leader of the Opposition and his party repatriated the BNA Act with entrenched changes that excluded any input from Canadians. He put together a constitutional agreement in the back room of a restaurant during the night while most Canadians slept.

Well, Mr. Speaker, Canadians are not asleep now. If the opposition leader thinks he can fool the Canadian public with his attempts to rewrite or distort history, he has misjudged Canadians. Truth will win out and his

attempts at distortion will only make the public more aware of another truth. The Grits are willing to put partisan politics and their quest for power ahead—

Mr. Speaker: The hon. member's time has expired. The hon. member for Hamilton East.

* * *

[*Translation*]

POVERTY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, last week was a week of mourning for Montrealers, Quebecers and Canadians as well. With the demise of Cardinal Léger we lost a truly great man who had devoted his life to the poor. And that, Mr. Speaker, on the second anniversary of the death of our former colleague, Jean-Claude Malépart.

Members of all political parties gathered last Sunday in Montreal to attend a play called "Le Faucon' " dedicated to Jean-Claude and his family in recognition of all the work they have accomplished.

I am happy to see, Mr. Speaker, that through the work of these men and women who, like Jean-Claude Malépart and certainly like Cardinal Léger, believe in the less fortunate, the Sainte-Marie CIDC is now $64,000 richer.

Jean-Claude has not been forgotten. His memory lives on through his widow, Pierrette, and their two daughters, Sylvie and Nathalie, and we are all very happy that the work of this great Canadian family allows this CIDC to keep operating. We are all losers now that Jean-Claude is gone.

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CANADA SAFETY COUNCIL

Mr. Jean-Pierre Hogue (Outremont): Mr. Speaker, the third National Seniors' Safety Week was held this year from November 12 to November 18. I am proud to announce that the event was sponsored by the Canada Safety Council.

Since it was established in 1968, the Canada Safety Council has associated itself with nation-wide initiatives aimed at reducing injuries, deaths and financial losses caused by accidents as well as general health hazards.

With the support of the private sector, governments, businesses and community associations, the council draws attention to safety issues affecting all Canadians and the seniors in particular.

The theme of the event is "Safeguard the Best Years of Your Life". Thus, the council is making sure that our seniors continue to drive safely.

I applaud the Canada Safety Council for its active communicative role in promoting awareness amongst seniors.

* * *

• (1410)

[*English*]

EAST TIMOR

Mr. John Manley (Ottawa South): Mr. Speaker, since 1975 Indonesia has illegally occupied the former Portuguese colony of East Timor and in that time at least 100,000 people out of a population of 600,000 have lost their lives to the brutal regime imposed by Indonesian forces.

Now the government of Indonesia has mounted a more pervasive assault on the East Timorese through such methods as aggressive birth control and forced resettlement programs.

The East Timorese must surely wonder how their situation could be so different from that of Kuwait or the countless other human injustices that have been tackled and won with the weight of the international community. In the past, East Timor's small size and remote location have served as a veil, permitting a horrible assault on an impoverished people who aspire to nothing more than a just and peaceful society.

As we contemplate an emerging new world order, I call on the government to make sure that Canada's voice is heard and that the plight of the people of East Timor is not overlooked in the rush of events elsewhere.

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YM/YWCA PEACE WEEK PROGRAM

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, it is encouraging to note the continuing stream of positive and constructive examples which help to reinforce both the image and the reality of Canada as a country of the world. I was recently proud to witness one such sterling example of Canadian outreach to new citizens of various nationalities and cultural origins

through the work of the international committee of the YM/YWCA in my own riding of Fredericton—York—Sunbury.

The Fredericton Y has played a key leadership role in developing the peace week initiative in Canada and, in fact, the peace medallions presented across the country were originally designed and produced in our city. Among its many dimensions, peace week includes the hosting and orientation of refugees and immigrants who have been selected to make their new homes in Canada. This year the local Y has presented the peace medallion to St. Paul's United Church for its impressive role model in sponsoring and welcoming refugee families over the past several years.

Let us hope that the YM/YWCA Peace Week Program will touch the hearts of all Canadians and inspire us to national pride in our identity as peacekeepers in the world.

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CARDINAL LÉGER, DR. MCCLURE

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, last week Canadians were saddened to learn of the deaths of two prominent Canadian humanitarians, Paul-Émile Cardinal Léger and Dr. Robert McClure.

These two men came to represent Canada as few others have. Cardinal Léger, an ordained Catholic priest, went on to attain the highest office in his church in Canada by being nominated a Cardinal in 1963. In 1967 he stepped down from his episcopal seat to work as a missionary with lepers and handicapped children in Africa.

Dr. Robert McClure also attained the highest office of his church when in 1968 he became the first lay Moderator of the United Church of Canada. Dr. McClure had a distinguished career as a medical missionary, serving primarily in China, Palestine and India.

Both Cardinal Léger and Dr. McClure exemplified the very best of the spirit of service to humanity and Canada is proud that they called this country their home. The world is immeasurably better for having had these two humanitarians in its midst.

S. O. 31

[*Translation*]

THE LATE PAUL-ÉMILE CARDINAL LÉGER

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, Canada mourns the passing of one of its most illustrious sons, Paul-Émile Cardinal Léger, whose entire adult life was dedicated to serving others.

With his deeply religious thinking and his deeds driven by compassion, he affected the lives of several generations of men and women, on all continents and at all levels of society.

His innate kindness and profound wisdom made thousands of people who had the privilege of meeting him consider him as a father. However, he will remain best known as a member of the family of mankind who was a much loved brother to the poor, the sick and the forgotten.

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STEEL INDUSTRY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, last Friday, the Sidbec plant in Ville Émard had to close down part of its facilities. One hundred and forty more workers lost their jobs, making a total of nearly 400 this year. These lay-offs are the result of government policies that are having a disastrous impact on the steel industry.

Southwest Montreal has already been severely affected by an incredible rate of plant closings; general lay-offs; and a 50 per cent unemployment rate.

Last Monday I met the unions at Sidbec. They are putting pressure on the government to put the industry back on its feet and save these jobs in what used to be the industrial heart of Montreal and our country.

The only way to put southwest Montreal back on its feet is for the government to put a stop to economic policies that are having a devastating effect on workers.

If Jean-Claude Malépart were still alive, he would say: Zero per cent inflation is fine, but what's the use if we have 50 per cent unemployment?

Oral Questions

THE LATE PAUL–ÉMILE CARDINAL LéGER

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, the most famous prince of the Catholic Church, Paul-Émile Cardinal Léger, is no longer with us. His passing is mourned by all faithful Catholics in Canada and throughout the world. We have lost our beloved spiritual grandfather.

I remember Cardinal Léger's eloquence and incredible simplicity. Who else but the Cardinal, at the height of his episcopal career, would have dedicated his life to serving the lepers, the most forgotten people on this planet, thus teaching the whole world a great lesson in humility.

The charities of the *Fondation Jules et Paul–Émile Léger* will perpetuate his cause. I earnestly hope that his deeds will be an inspiration and an example to all those who continue his noble task.

* * *

[*English*]

P.E.I. FERRY SERVICE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, in my province of Prince Edward Island, truck drivers and other users of Marine Atlantic Ferry to New Brunswick are bracing themselves for another winter of delays. Such delays add to the already high cost of doing business and make vital industries like tourism more vulnerable to disruption.

No one knows for sure, but it is estimated that 30 to 40 per cent of trucks will experience significant delays this winter. The problem of delays is also compounded by the age of the ships. Three out of four are over 20 years old. All the ships cost more to operate and break down more often.

I urge the government to approve the construction of a new ferry for Prince Edward Island regardless of a decision on the fixed link. The five to ten years it would take to build a bridge would only see more delays at the ferry, more costly repairs and more chances for disruption to the Prince Edward Island economy.

NATIONAL PARKS

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, a decision of the Treasury Board meeting of July 14, 1988, instructed the Ministers of Pubic Works, Environment and Transport to address the question of which department should be responsible for making expenditures on highways in national parks.

Three years and four months later no decision has been made. Accidents and fatalities are occurring at an alarming rate in Banff National Park.

It is imperative that the President of the Treasury Board set a deadline for the three ministers for resolving the question of custody so that we can proceed with the much needed construction of the twinning of the Trans-Canada Highway through Banff National Park.

ORAL QUESTION PERIOD

[*Translation*]

UNEMPLOYMENT INSURANCE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Minister of Finance. We read in the newspapers that the government intends to announce a 6 per cent increase in unemployment insurance premiums.

The news has taken employers and employees completely by surprise. The general view is that this is the worst possible time to increase premiums, just as we are trying to get out of this very difficult recession.

My question to the Minister of Finance and Deputy Prime Minister is this: Will he announce today that he does not really intend to follow through with this massive increase and that he will take steps to help Canadian employers and employees during this difficult period?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, a few minutes ago we announced the government's decision to increase contributions to the unemployment insurance plan by from 2.8 to 3 per cent, because the unemployment insurance account's deficit will be much higher than was forecast. That is why the premium rate was increased. The purpose of this decision is to keep the unemployment

insurance account solvent and minimize any impact on the government's financial accounts. Canadians should realize that if we let the unemployment insurance deficit increase at will, unemployment insurance recipients will have to pay the price.

• (1420)

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I am terribly sorry to hear this news from the minister.

I have a question for the Minister of Finance. In the budget of 1989, when his predecessor announced the new policy that it was pulling out of funding for UI, he said: "The government will continue to contribute to the financing of the program in difficult economic times when it is inappropriate to raise premiums". That is a quotation from the budget of 1989.

I would like to know why the Minister of Finance today has broken the promise of his predecessor in the budget of 1989. Will he reverse that decision which is contrary to the announced policy of this government by his predecessor in the budget in the spring of 1989?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Government of Canada does contribute to the UI fund in terms of providing advances. It has done so in 1991 to the tune of $2.1 billion and it will do so in 1992 by providing an additional $1.3 billion. So the government is acting consistently with the comments of the previous Minister of Finance.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Finance why he does not withdraw this announcement because the intention of the government was clear that in a period of recession that we are in at this moment the last thing that the economy needs is an increase in taxes from employees and employers. What we need at this moment is some money in the industries and the consumers in Canada to buy the goods that are needed to get this country out of this recession that will be two years old very soon.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I know the hon. Leader of the Opposition would rather postpone the difficult decisions to a further day and place the burden of that responsibility on future generations.

The fact of the matter is that the government has a responsibility to establish a premium rate on the basis of three criterion. The first one is the preservation of the financial integrity of the UI account. Second, we have to take into consideration the impact upon the employees and the employers. That indeed was done in this particular case. Finally, we have to take into consideration the impact of the UI deficit on the over-all fiscal objectives of the government. We weighed all those considerations and we made the decision that the Minister of Employment and Immigration has just announced.

[*Translation*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, the Minister of Employment and Immigration has just announced a 3 per cent increase in the contributions employees and employers make to the unemployment insurance plan.

This is the third increase since the 1988 election and apparently we will have a fourth one in the coming months. Does the minister not realize that Canadians cannot take this new tax? How will we get out of the recession when he always raises the premiums paid by employees and employers? How can workers get through the next winter with yet another tax increase?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, if the deficit of the unemployment insurance account were not increasing, there would be no need now to increase unemployment insurance premiums. But the situation is such that if we do not act, the deficit of the UI account will grow, putting its integrity in question.

As the Minister of Finance just pointed out, no doubt the hon. member would prefer to postpone the problem to another time, but the fact remains that we must live with reality and the reality is that we have chosen an in-between solution which will ensure over time that this account will again be viable and have a positive balance by 1995.

[*English*]

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, I have a supplementary for the same minister. Just before the last election the government announced a reduction in UI premiums. Since then we have had two increases, with another two on the way. This means that Canadian

workers and small businesses have seen the UI premium increased by over 50 per cent since the fall of 1988.

In the spirit of consultation, did the minister seek the advice of his commission of employers and his commission of workers before announcing just a few minutes ago the new increase in UI premiums? If he did get the advice, what was the nature of the advice of his commissioners?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, yes indeed the Minister of Finance and myself met with the commissioners. At issue is the financial health of the UI account and the additional burden on employers and employees. The difficulty of course was finding a balance between the two. I believe that we have achieved a reasonable balance.

I believe that Canadians realize there are no quick and easy solutions to the problems we face on this issue. The hon. member and his party may try to lead the people to believe that money will simply fall from the sky, but the unemployed and other Canadians who are quite anxious about their future know that money is not falling from the sky. That is why we have taken this responsible course.

* * *

THE CONSTITUTION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister Responsible for Constitutional Affairs. It concerns the government's proposal for a number of constitutional conferences and a national conference on the Constitution. The minister appears to have gone a fair way in meeting some of the concerns certainly that my party has had about a more inclusive process, a process that would be a constituent assembly or a process similar to that.

I would ask the minister to confirm that a national conference on the Constitution will be held with participation which balances region, language, gender and diversity of opinion.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I can confirm that it is our intention to hold a series of five conferences, plus an arrangement with aboriginal people that may depart because of the nature of aboriginal issues in its format from the other conferences. One of those conferences, the last one, would be in effect a summary conference that would help the special joint committee come to conclusions that may allow us to move forward the process of getting agreement on constitutional debate in the country.

We would certainly try to ensure that all of those conferences were representative. Five of them will focus upon particular aspects of the proposals, but we will ensure that they are representative of considered opinion in the country and that they are operated in a way that will allow not only parliamentarians but also other Canadians to move forward steadily toward a consensus on constitutional change.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): I wish to ask a supplementary question, Mr. Speaker. The minister must know that the success of the constitutional conference depends entirely on the confidence Canadians have in it. It is not a partisan issue but a question of public trust. For him to obtain this trust, can the minister assure us that the views of all those excluded in the past like the unemployed, the poor and other groups will have as much weight this time as those of the traditional experts on the Constitution? Can he assure us that all viewpoints will be considered in discussions on the Constitution?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, the government is seeking an effective balance among the legitimate perspectives on constitutional issues. Of course experts must be perceived in a traditional sense, but I agree that it is also important to have other groups whose interests are affected by the outcome of constitutional discussions. The exact balance must be determined in the future.

• (1430)

I hope to have an opportunity to discuss this balance with the Leader of the New Democratic Party, with the Leader or a representative of the Liberal Party, and with others who, I believe and trust, share our interest in a fair and balanced result.

[*English*]

Hon. Audrey McLaughlin (Yukon): I will take the minister's point that he will consult with the other parties on the representation at these conferences because it will be very important that all points of view are brought together if we are to reach a consensus.

On March 14 last, following the issuing of a $400,000 grant to the Business Council on National Issues, I asked the Prime Minister if similar financial support would be made to other groups that would also want to do research and prepare their presentations on the Constitution and on the national unity debate.

I want to ask the minister if the government has considered the proposals of these other groups and if such resources will be made available to groups participating in the conference to ensure that all of the delegates arrive at the table on an equal footing.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, on constitutional matters and on others we are operating with some resource constraints. We have made some millions of dollars available to aboriginal groups, for example, to ensure that they can undertake extensive consultation of their own membership.

We are prepared to look at some limited funding of some other kinds of conferences. I think it is essential to the effective functioning of the conferences discussed earlier in this Question Period that there be a willingness on the part of the government to ensure that financial resources are not an obstacle to the attendance at those conferences of people who might have to travel some distances to get there.

While I am on my feet, Mr. Speaker, I wonder if I might simply express my appreciation and that of the government for the leadership between opposition parties that the New Democratic Party has shown this morning in its agreement to take steps that will ensure that the special joint committee can get back into operation so that we can make progress on the constitutional—

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THE ECONOMY

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I have a question for the Minister of Finance, who will be aware that this government's high dollar policy is wiping out jobs right, left and centre. For every one cent increase in the value of the dollar, $2 billion worth of export business is lost to Canada. The 13 cent hike in the dollar since 1984 has triggered massive lay-offs in mining, forestry, and fishing, all of which are heavily dependent upon export sales.

I ask the minister why he persists in a policy which is wreaking such economic havoc and causing so much pain.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we do not have a high dollar policy. The exchange rate is established in the marketplace.

As far as exports are concerned, I would advise the House that the merchandise trade balance rose by $8.1 billion at an annual rate of $13.5 billion in the month of August. Contrary to what the hon. member suggests, we have a positive merchandise trade balance and our trade with the United States is improving.

There are other fundamentals that have to be dealt with and that is the basic competitiveness and productivity issues that we face as an economy. I know the hon. member does indeed welcome the initiative by my colleague, the Minister of Industry, Science and Technology to deal with this on a partnership basis.

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, I say to the minister that those statistics do not buy groceries for the 178,000 more Canadians that are out of work this year than last year, thanks to the policies of him and this government.

The jobless rate in Newfoundland is up to 18 per cent and bankruptcies there have skyrocketed by something over 71 per cent, not to mention the increase in the number of homeless and the hungry across this country.

I ask the minister how he can be so callous, so insensitive as to stand idly by and let the Bank of Canada hold the dollar at such an outrageous level, creating even more bedlam and misery.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, no one enjoys the fact that this country has gone through a recession in the process of restructuring and adjustment.

No one enjoys the fact that there is high unemployment. The fact of the matter is that we must get the fundamentals right.

Our approach to revitalizing the economy is to bring down the pressures of inflation so that we can bring down interest rates on a long-term basis. That will provide the recipe for sustained recovery and price stability. That is our goal. That is our objective. It is quite obvious that while the indicators are somewhat volatile, there is every clear indication that the economy is strengthening.

There were 43,000 new full-time jobs created last month and 108,000 full-time jobs since August. That is certainly not good enough. There were 24,000 brand new jobs created last month. Certainly that is not good enough but it is pointing in the right direction.

Housing starts are up 202,000 on an annualized basis. Business confidence is not as robust and buoyant as we would like to see it but Canada does not stand alone. We have problems all around us. We are dealing with the fundamentals and when we get the fundamentals right, we will have long-term sustainable recovery.

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TRADE

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, in the absence of the Minister for International Trade, my question is for the Minister of Finance.

Recent reports suggest that the United States government has decided to delay the conclusion of the U.S.-Canada-Mexico free trade agreement until after the U.S. presidential election in November 1992.

The Canadian government on the other hand has consistently insisted that it is in Canada's interest to have a rapid conclusion of the discussions of these negotiations.

Is it now the position of the Government of Canada that the negotiations will be delayed, that the conclusion will be delayed until 1993? Has that become the position of the Canadian government as well as of the U.S. government?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that is not my understanding.

My understanding is that the negotiations are continuing. Canada is involved in those negotiations and there has not been any delay, artificial or otherwise, established as far as I am concerned.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, the minister should know that the chief U.S. trade negotiator stated recently that she would not bet her salary on the fact of these negotiations being concluded before the U.S. presidential election.

If Canadian policy is being determined by U.S. trade policy, what confidence can the Canadian people have that when the U.S. government demands, as it has been doing, that the cultural industries and the auto pact be on the table, U.S. policy will not dominate the situation as well?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, there are a lot of ifs associated with that question and it is rather hypothetical.

I can assure the hon. member that we are not engaged in the North American free trade negotiations from the standpoint of improving and benefiting the United States or Mexico. We are there because we believe that it is appropriate for Canada to be there and to protect Canada's interests.

We are there because we want to expand trade, liberalize trade because trade has been good for Canada in the past and it will be good for Canada in the future.

* * *

UNEMPLOYMENT INSURANCE

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, I would like to return to the question of the 7 per cent increase in UI premiums.

The Minister of Employment and Immigration says that money these days is not flowing from the sky. That is right. Money is in fact being taken from people's pockets.

I want to make the point to the minister of employment that this is the same thing as a $1.3 billion tax increase. I want to ask the Minister of Finance how he can possibly justify a $1.3 billion increase from people's pockets at a time when the economy is limping, people are out of work and this economy is struggling, right across Canada.

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is very much aware that there are certain factors that have to be taken into consideration in establishing the premium rate. One is the financial integrity of the unemployment insurance account. If we did nothing, there would be a cumulative deficit of $4.6 billion by the end of 1992. By the end of 1993 it would be $6.2 billion and by the end of 1994 it would be in excess of $7 billion. That would certainly put the UI account on very shaking footing. Therefore, that has to be taken into consideration.

As well, we take into account the difficulties faced by the employee and the employer as well as the over–all fiscal impact upon the government accounts. All of those things having been taken into consideration. As the Minister of Employment and Immigration said, we hit what we consider to be a happy medium. If we had tried to balance the account sooner, the increase would have been $3.20 or 3.2 per cent. As it was, we came in between 2.8 and 3.2 per cent and established the rate at 3 per cent which we think is fair, reasonable and equitable.

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, in fact if the government was paying its fair share of the UI premiums which it used to pay and which it should be paying, there would be no need for this increase.

I want to ask the Minister of Finance how he can recognize, as he did a few minutes ago, that business confidence has fallen dramatically, that consumer confidence has decreased in the last quarter according to the Conference Board of Canada. How can the minister recognize that the confidence of business and consumers has fallen and then turn around and take this $1.3 billion out of people's pockets?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, you do not add confidence by adding to the deficit. Quite frankly, the issue of the deficit is as important as interest rates or the value of the dollar. All of these things are very, very important.

The hon. member wants to spend more money. Who does he want to tax? Before he asks the Government of Canada to spend more money, he should tell the Government of Canada who he wants to tax and at what amount. Then we would be getting a fair recommendation from the hon. member.

I repeat what I said before. The Government of Canada will be advancing $2.1 billion in 1992 and $1.3 billion in 1993. That is an advance to cushion the effect of an otherwise severe draw on the UI account.

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CANADIAN MINT

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, in the absence of the Minister of Supply and Services, I direct my question to the Deputy Prime Minister. It concerns the strike at the Canadian Mint in both Ottawa and Winnipeg, a strike which is costing taxpayers millions of dollars in revenue.

Once again under this government those at the top are getting fat increases while everybody else has to settle for the crumbs even though the Mint made a $10 million profit last year.

What is the government doing to get bargaining back on track, to get a fair settlement, to get revenues rolling into public coffers again?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, the hon. member will know that the strike has been going on for some time and Labour Canada has offered mediation assistance to both parties. To my knowledge, as of today, neither of the parties has requested such assistance.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, working men and women at the Canadian Mint in Winnipeg in my riding have been offered a settlement of slightly over 2 per cent. The senior managers at the same Mint have been given—I repeat, given—a settlement of roughly 5 per cent which in some instances included huge bonuses. These men and women, these workers simply want a fair deal.

Will the minister do the honourable thing and call in a mediator today to settle this dispute?

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, I am not in the habit of appointing mediators unless requested to do so by one of the parties. In this particular case neither management nor the union has asked for the mediation. I will look into it when one of them asks for it.

EAST TIMOR

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Last week, several western governments, including the U.S. and the European Community, condemned outright an Indonesian army massacre of over 100 unarmed people of East Timor.

When will this government live up to its own rhetoric on human rights and finally support international efforts, including UN resolutions which demand an end to Indonesia's illegal occupation of East Timor and the right of the Timorese to self-determination?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, first of all, I, on behalf of Canada, condemned the action of the Indonesians in East Timor the morning after the event in Seoul to the foreign minister directly. We had a long conversation about it in which I expressed the continuing concern of Canadians going back a long way over the situation in East Timor. I expressed our concern that the Indonesian government had not welcomed the Portuguese delegation that was to go in on behalf of the UN and look at conditions in East Timor and we urged them to accept the delegation from Portugal. Indeed, we are going to be in touch with the government of Portugal in that connection directly.

It is a tragic situation in East Timor and we condemn not only the violation of human rights in this particular instance, but also the ongoing situation for the people who live there.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, the minister's own press release stated her concern, a very weak word at best. Previously Canada has voted against United Nations resolutions calling for self-determination. Canada has lobbied to have the issues removed from the agenda. The Prime Minister has on numerous occasions linked foreign aid to human rights violations and Canada's foreign aid contributions to Indonesia has averaged $50 million annually in recent years.

In this case, will the minister take the Prime Minister at his word and conduct a full review of the foreign aid presently being allocated to Indonesia?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, although I have asked for an examination of our foreign aid to Indonesia, I should point out that it was $46 million and it is very much grassroots aid. It goes to environmental projects, water supply, human resources, women and development. It does not go through the government for the most part.

However, I have asked for a review of our foreign aid to Indonesia under these circumstances and I will be happy to report back to the House after I have completed that review.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I want to follow up on the question with respect to East Timor because, as the minister knows, last Tuesday the Indonesian army brutally attacked unarmed East Timorese mourners attending a funeral in Delhi which resulted in over 100 deaths and many injuries.

While the minister finally issued a statement late on Friday afternoon, three days after the violence, I want to ask the minister whether she is in fact prepared now to implement the policies that the Prime Minister of Canada is now preaching at the francophone summit in Paris? Is the minister prepared to say to the Canadian people, and particularly to the Indonesian government, that we take human rights seriously and that we are prepared to suspend aid to this brutal government that has been responsible for the murder of innocent civilians? Will this government practice what it preaches?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, clearly the hon. member was not listening to one word I said in response to the previous two questions.

I have already said that I am reviewing our aid to Indonesia. I have also said that much of that aid is not government to government but is done through non-governmental agencies.

Yes, I am reviewing our aid. As I also said in response to the last question, and I am sorry to repeat myself but the question is very repetitive, I expressed our concern

and our condemnation directly to the Indonesian foreign minister the morning after it happened personally in Seoul.

We have also called in the ambassador and we have expressed our concerns through our ambassador in Djakarta.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, a supplementary.

I would like to remind the minister that at this point there is no arms embargo on sales of Canadian arms to Indonesia and, in fact, there have been over the past couple of years sales of a number of arms. I hope the minister will review that question as well.

• (1450)

My supplementary, Mr. Speaker, relates to the issue of a parliamentary delegation. The minister has referred to the Portuguese parliamentary delegation which is trying to get into East Timor. I want to ask the minister whether she is prepared to show leadership on behalf of the people of Canada. Will she support the sending of a Canadian all-party parliamentary delegation to get a first-hand, fact-finding look at the very very serious human rights situation in Indonesia and East Timor?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, the short answer to that question is no.

I think that the Portuguese have a strong role to play because of their history in the region. We are prepared to consider a number of steps at future stages, depending on what happens. But over time we have been very active in this situation in the UN and we have raised this issue continually in Djakarta.

I think the role of the Portuguese is an important one and I would hope that it would be allowed to continue. It has been ongoing since 1981. Whereas I recognize the hon. member's strong concern for what is going on in East Timor, I do believe that the role being played by Portugal is sufficient for now.

* * *

[*Translation*]

INDIAN AFFAIRS

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, having resigned, as you know, from the position of parliamentary secretary, I can ask a question. My question is directed to the Minister of Indian Affairs and Northern Development.

The minister and all members of this House know full well that peace has not been restored to the part of my riding called Oka following the summer of 1990 incidents, and understandably so. The minister can also appreciate the hope and anxiety my constituents felt when they read in *La Presse* last Friday about the allocation of an extra $25 million for the purchase of properties in Kanesatake. Here is my question.

Can the minister confirm that he has requested a $25 million appropriation from Treasury Board to unify Mohawk land in Oka? If this request was granted, can he give this House details concerning the amount of that budget.

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, first of all I would like to compliment the hon. member for Argenteuil—Papineau for her strong conviction and the helpful advice that she has offered to the government in dealing with very difficult circumstances affecting her constituency. I think all members should take a cue from the hon. member in the way in which she has committed herself to this cause.

I can confirm that the government has given approval through Treasury Board for a budget for the negotiation and purchase of properties in the vicinity of Oka and Kanesatake. It would be inappropriate to reveal the total amount of that budget for reasons relating to the sensitive negotiations, but indeed Treasury Board has approved such a budget.

[*Translation*]

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, in view of the many problems in Oka and Kanesatake, I would like the minister to tell my constituents how soon they can expect to be made an offer so that the extremely difficult situation they have been faced with since the summer of 1990 crisis can finally be resolved.

[*English*]

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I would tell the House that it was late last year when the hon. member who posed the question suggested that the negotiator for

the matters remaining to be resolved at Kanesatake be mandated to also commence negotiations with a number of the residents who own property in the vicinity of the community of Kanesatake. In fact, Mr. Bernard Roy has commenced those negotiations. They have been under way for some months. Public Works has arranged to have appraisals completed and offers have been made and accepted by many of the residents.

* * *

[*Translation*]

RAIL PASSENGER SERVICE

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is directed to the Minister of Transport and concerns the sale of the rail link between Truro and Sydney in Nova Scotia. On September 27 this year, his colleague stated in the House that no bids would be considered unless the same level of service was maintained. However, CN and the government have kept the public in the dark about the conditions of sale and the identity of potential buyers.

Now that all the bids are in, can the minister release this information so that we can see how the public interest is protected by this sale?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, as I mentioned several times before in the House, this is an initiative by Canadian National, and CN was given a mandate to operate on as commercial and profitable a basis as possible. The bids are now in and are being considered by CN which will subsequently make a decision that will be in the best interests of the communities involved.

[*English*]

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my supplementary is for the same minister. Nova Scotians do not trust this government. They believe that this proposed sale by CN is merely rail line abandonment by another route. That would spell economic catastrophe for a third of Nova Scotia where the three main employers, Sysco, Devco and Stora Forest Industries, all depend on this rail line from Truro to Sydney.

Why is the minister placing the future of thousands of Nova Scotians in jeopardy by allowing CN to sell this vital rail link?

Hon. Jean Corbeil (Minister of Transport): I will repeat again, Mr. Speaker, that the decision has not been taken. CN has requested bids. It is examining the situation at the present time and will make a decision.

I think that the people of Nova Scotia should rejoice in the fact that my colleague, the Minister of Public Works, and myself awarded last week a contract of $42.6 million for the construction of a ferry to Pictou Industries Ltd. in Nova Scotia.

* * *

INTEREST RATES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Credit card interest rates in Canada continue to be 10 to 12 points above prime. Yet the minister has steadfastly refused to take any action to protect Canadian consumers from unfair gouging by the big banks.

Given that every 1 per cent drop in credit card rates saves Canadian consumers over $10 million a month, will he follow the lead of the U.S. Congress and bring in legislation to cap credit card interest rates in Canada?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I may remind the hon. member that the bill now before the U.S. Senate has not been ratified by the President of the United States and the U.S. administration. So far, the U.S. administration has been firmly opposed to any cap on interest rates.

However, I must say that we are watching the situation very closely, including the fact that the banks have not significantly reduced their credit card rates during the past year. I am monitoring this very closely, and I was pleased to hear that thanks to the signals we have been sending, both to consumers and the banks, one bank reduced its rate by 1.5 per cent a few days ago.

I am sure that, as a result of competitive forces and market pressures, we will be seeing further drops within the next few days, Mr. Speaker.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary is for the same minister.

It is cold comfort for the minister to tell Canadian consumers that they should only expect fair credit card rates when a Commons committee can embarrass the big banks into dropping their obscene rates. What we do not need is rhetoric. What we do need is a legislative remedy to stop consumers from being gouged.

My question is this: Will the minister finally accept the recommendations of the consumer and corporate affairs committee, follow the lead of the U.S. Senate and impose a legislative cap on credit card interest rates in Canada?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the hon. member must realize there is a difference between credit card interest rates in the United States and the U.S. prime rate. The spread is much broader in the United States than it is here in Canada, considering that today there are significant differences between various credit cards in this country.

A few weeks ago, I personally invited Canadian consumers, of whom more than half who have credit cards don't pay interest because they pay their balance every month, Mr. Speaker. More than half the people don't pay a cent of interest on their cards. I asked the other half to check and shop around for lower rates—on a line of credit, for instance, or on personal loans—where they could save several percentage points. I invited all Canadians to do so, including members of this House. They could save a lot of money.

• (1500)

[*English*]

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to follow up on what was being said by my hon. colleague across the way. I am wondering if the Minister of Consumer and Corporate Affairs might simply admit that there is concern about the level of credit card interest rates. Perhaps the minister could send an indication to the banks that the best way to avoid a Draconian law such as the one my hon. friend mentioned is to drop rates substantially and do it now.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I would like to thank the hon. member for his question.

I have advised the banks, the trust companies and department stores, all of which have credit cards, that I am looking at this closely. I am going to meet with them in a few days. I am already in touch with them. My deputy minister is meeting with all the provincial deputy ministers because credit cards issued by department stores are under provincial jurisdiction.

We are looking at this matter because it is an important question. We have sent a signal to the banks and we will look forward to seeing the results.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, my question is for the minister of corporate and consumer affairs. Again it has to do with these usurious rates charged by financial institutions on credit cards and retail cards.

These rates range all the way from 18 per cent to 30 per cent.

An hon. member: Shame.

Mr. Rodriguez: We do not need George Bush to tell us what to do about usurious credit card rates.

My question is very straightforward. The Standing Committee on Consumer and Corporate Affairs recommended a floating cap. Is this minister prepared to act like a pit bull terrier when dealing with financial institutions, rather than some sort of poodle.

Some hon. members: Oh, oh.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Unfortunately, Mr. Speaker, I don't know what the hon. member really wants me to be. He was cut off just in time. In any case, I know that the Standing Committee on Consumer and Corporate Affairs is now looking into this matter. I am sure the recommendation made some time ago to put a cap on interest rates was even turned down by the Consumers Association of Canada, because

the measure was considered unlikely to maintain a competitive market.

I understand what the hon. member is trying to say, and I realize he is concerned. I am concerned as well. We have sent a signal to the financial community. We will see how it reacts. In fact, one of Canada's major banks lowered its rate by 1.5 per cent three days ago. I am sure that when President Bush referred to this last week, he probably repeated what I said in the House just two weeks ago, Mr. Speaker.

* * *

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I draw the attention of hon. members to the presence in the gallery of the external affairs committee from the Bundestag of the Federal Republic of Germany.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to section 36(8) of the Standing Orders, I have the honour to table, in both official languages, the government's response to 31 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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NATIONAL HIGHWAYS ACT

MEASURE TO ENACT

Mr. Robert D. Nault (Kenora—Rainy River) moved for leave to introduce Bill C-323, an act to establish a national highways system and a national highways authority.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Nault: Mr. Speaker, it is my pleasure today to present this private member's bill. The purpose of the bill, as the title suggests, is to establish a national highway system and also a national highways authority.

A national highways authority would be represented by all the provinces of our fair land plus the Northwest Territories and the Yukon.

The purpose of the bill and the authority is to acquire lands for the construction of national highways, and for constructing, maintaining, operating and upgrading the national highways that we have.

My belief in presenting this private member's bill is to allow the government to reflect on the need for a national highway system because of the fact that with a national highway system, we can enhance our competitiveness. It would enable us to be better prepared for defence purposes.

Most importantly, it would ensure that national highways meet national standards so that we would have equal access and ability to compete in all parts of Canada.

The Acting Speaker (Mr. DeBlois): Mr. Nault moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, it is my honour and privilege under Standing Order 36 to present a petition signed by 125 residents of the great riding of Glengarry—Prescott—Russell. The petitioners call on this government to protect article XI of the General Agreement on Tariffs and Trade which is necessary for the continuance of supply managed agriculture in Canada.

I have several more such petitions that are presently being approved by the Clerk of the House. I urge the government to listen to the pleas of the electors of Glengarry—Prescott—Russell.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is a pleasure for me to present a petition pursuant to Standing Order 36 from a number of constituents from the Kamloops region of British Columbia that are calling upon the Government of Canada to ensure proper

support financially for the Royal Canadian Mounted Police so they can fulfil their mandate as we all know it.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): On another matter, again from the citizens of a number of communities in British Columbia, the petitioners are calling upon the Government of Canada to state categorically that the fresh waters in our rivers will not be dammed and diverted into the United States for any reason, particularly in light of the proposal to dam and divert part of the North Thompson River at Belmont, British Columbia.

CROATIA

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it is with sadness that I present to the House a petition signed by literally thousands of Canadians.

The petition of the undersigned residents of Canada who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners:

Whereas Croatia instituted a democratic government in a multi-party election conducted in April 1990;

• (1510)

Whereas 94 per cent of the population of Croatia voted for independence;

Whereas Croatians, like all other peoples are entitled to freedom and democracy and their right to self-determination;

Whereas Canada has an international reputation, has the moral authority and as such can initiate this democratic process without compromising world peace;

Wherefore, the undersigned, your petitioners, humbly pray and call upon Parliament to take the initiative in officially recognizing Croatia as an independent and sovereign democratic nation.

This was signed by several thousand petitioners in the last number of months that had hoped to avoid the bloody conflict we are now witnessing.

[*Translation*]

RECOGNITION OF CROATIAN INDEPENDENCE

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I have here a petition signed by 1,336 Canadians. It reads as follows:

The petition of the undersigned residents of Canada who now avail themselves of their ancient and undoubted right thus to present a grievance common to your petitioners: Whereas Croatia instituted a democratic government in a multi-party election in April 1990; whereas 94 per cent of the population of Croatia voted for independence; whereas anachronistic communism fuels the Yugoslav army-backed Serbian terrorists as they continue their brutal attack on thousands of unarmed Croatian civilians, women and children; whereas Croatians, like all other peoples, are entitled to freedom, democracy and their right to self-determination; and whereas Canada has an international reputation as a moral authority and as such can initiate this democratic process without compromising world peace; wherefore the undersigned your petitioners humbly pray and call upon Canada to recognize the independence of Croatia, and I support them.

[*English*]

JUSTICE

Ms. Beth Phinney (Hamilton Mountain): Mr. Speaker, I am pleased to present, pursuant to Standing Order 36, a number of petitions with thousands of signatures from various parts of Canada, including my own riding, Toronto, Timmins, and out west. These petitioners feel there are serious deficiencies in the criminal justice system and that there are many vulnerable persons who have little protection under the current system. Women, children and disabled persons are at particular risk.

These petitioners request that Parliament recognize that crimes of violence against persons are serious and abhorrent to society. They ask the government to amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

[*Translation*]

MARIE SKLODOWSKA CURIE

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, I have a petition addressed to this House by fellow citizens from Montreal and Quebec.

Whereas we believe that tribute must be paid to a great lady, Marie Sklodowska Curie, for her scientific contributions to humanity, we think that Mrs. Curie, who twice won the Nobel Prize for her discovery of radium and was the first woman to earn a place in the history of science, should be recognized by Canada. We believe that this illustrious Polish woman, a benefactor of humanity and scientist whose fame has never diminished, should be honoured by Canada as she has already been honoured by many countries.

[*English*]

CROATIA

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour table a petition signed by hundreds of residents of the lower mainland of British Columbia who point out that Croatia instituted a democratic government in a multi-party election conducted in April 1990 and that 94 per cent of the population of Croatia voted for independence.

They point out that an anachronistic communism fuels the Yugoslav army-backed Serbian terrorists as they continue their brutal attack on thousands of unarmed Croatian civilians, women and children. They note that Croatians like all other peoples, are entitled to freedom, democracy and their right to self-determination.

Finally, they note that Canada has an international reputation as a moral authority and as such can initiate the democratic process without compromising world peace.

Therefore, they call upon Canada to take the initiative in officially recognizing Croatia as an independent and sovereign, democratic nation.

I table this petition on behalf of the people of the lower mainland of British Columbia.

GENERAL AGREEMENT ON TARIFFS AND TRADE

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I rise also under Standing Order 36 to present petitions from many of the supply managed commodity farmers in my riding. They call on the government to stand firm at the GATT negotiations. They want to instruct the government to hold our Canadian system up as an example to the rest of the world and to protect it in its entirety at all costs in the current round of GATT negotiations.

CROATIA

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I rise under Standing Order 36 to present petitions signed by 1,260 Canadians.

The petitioners humbly show that the Croatian institute of the democratic government in a multi-party election conducted in April 1990, an election which I had the great pleasure of attending, found that 94 per cent voted for independence. Croatians are entitled like others to freedom, democracy and the right to self-determination.

The petitioners urge the government to take the initiative in officially recognizing Croatia as an independent, sovereign and democratic nation.

AGRICULTURE

Mr. Maurice Foster (Algoma): Mr. Speaker, I have the honour to present a petition signed by several dozen citizens of southwestern Ontario. They call on the government to provide emergency assistance this year as a result of the government's serious cutback of support programs last year for the grains and oilseeds and horticulture crops.

They are calling on the government to provide that assistance as if the safety net system, which will come into effect this coming year, had been in effect for 1990.

I know that the government will want to respond in a positive way and not in the half-hearted way in which it has responded already to this serious situation for Canadian farmers.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, pursuant to Standing Order 36, I also would like to present a petition from farmers and their representatives across this country that are also suffering great difficulties these days.

There was a special meeting of the House of Commons Standing Committee on Agriculture in August of this year. The farmers in this petition request that the government live up to the resolution passed by that committee in August of this year in order that they can receive sufficient support in order to be able to survive.

VIOLENT CRIMES

Mr. Harry Chadwick (Bramalea—Gore—Malton): Mr. Speaker, it is my duty to submit a petition pursuant to Standing Order 36 in respect to the Nina de Villiers case.

These petitioners humbly request that Parliament recognize that crimes of violence against a person are serious and abhorrent to society and amend the Criminal Code of Canada, the 1972 Bail Reform Act and the Parole Act accordingly.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to present petitions pursuant to Standing Order 36 on behalf of many Canadians whose signatures appear on these petitions who have been touched by the senseless murder of Nina de Villiers on August 9.

The petitioners would like to point out the deficiencies in the criminal justice system and therefore request Parliament to recognize that crimes of violence against persons are serious and abhorrent to society and that there is necessity to amend the Criminal Code of Canada, the 1972 Bail Reform Act and the Parole Act accordingly.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, question No. 132 will be answered today.

[*Text*]

Question No. 132—**Mr. Young:**

With the exception of the multi-year operational plan (MYOP), does a department have the right to shift salary resources to other internal priorities without Treasury Board approval?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Under the current rules and procedures, a department may not adjust the amount of salary resources available to it without the approval of the Treasury Board. Even in the MYOP, while departments may propose internal reallocations to increase or decrease salary resources this ultimately will need to be considered and approved by the Treasury Board.

The PS 2000 initiative calling for the implementation of operating budgets in the 1993-94 fiscal year will fundamentally change the Treasury Board's approach to resource management. Under operating budgets, managers in the Public Service will be given budget flexibility to reallocate dollars between the salary and non-salary portions of the operating budget. This will enable managers to choose the most efficient and effective way of achieving program goals. This represents a change from the traditional approach of central controls to one of making the manager more responsible and accountable for resource management.

In summary, the current rules and procedures are as follows:

—Section 31 of the Financial Administration Act requires each deputy head to divide each appropriation granted by Parliament into allotments in the form prescribed by the Treasury Board. The allotments are approved by Treasury Board and cannot be varied or amended without the approval of the board.

—The basic allotment structure in use for most departments and agencies (excluding Crown corporations) within the Public Service is:

—Salary and wages—all personnel costs are charged to this allotment;

—Salary adjustment reserve allotment—funds set aside to offset all or a portion of the costs associated with salary increases expected in the next fiscal year; and

—Other operating costs—the balance of funds appropriated to a vote.

—In 1985 the Treasury Board assigned to the Secretary of the Treasury Board the duty of approving on its behalf certain allotment changes of an administrative nature including the authority to review and approve the reallocation of funds to or from salaries and wages.

[*English*]

Mr. Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTION TO ADJOURN UNDER S. O. 52

YUGOSLAVIA

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I ask leave to move the adjournment of the House under Standing Order 52 for the purpose of discussing a specific and important matter requiring urgent consideration, namely the tragic situation in Yugoslavia.

Mr. Speaker: The House has heard the application which is for an emergency debate on the issue of Yugoslavia.

A number of applications have been taken. I know that discussions have taken place. I so order the debate to commence at eight o'clock tonight. I thank the hon. minister.

Mr. Riis: Mr. Speaker, now that you have ruled, I believe you will find unanimous consent, in light of the commencement of this special emergency discussion on Yugoslavia, for it to commence immediately following the adjournment debate around 6.30 p.m. rather than it commencing at eight o'clock p.m. In other words we would commence earlier than eight o'clock.

Mr. Speaker: I would want to hear other members of the House.

• (1520)

Mr. Dingwall: Briefly, Mr. Speaker, the hon. member was kind enough to raise this matter with me prior to Question Period being terminated. I undertook at that time to consult with my colleague, the member for Winnipeg South Centre, and due to the arrangement of schedules over the weekend and for today, I am afraid that we would not be able to consent to having the debate earlier and we would have to proceed in accordance with the Standing Orders of having the debate commence at eight o'clock.

I hope that does not cause my hon. colleague too much difficulty but I did discuss it with my critic and associate critics and some of them are flying in from Toronto and elsewhere to participate in the debate tonight.

Mr. Cooper: Mr. Speaker, I want to signal that we would not have had a problem with proceeding at 6.20 p.m. or whatever the time would have worked out to be. I think in light of the concerns of the Liberal House leader that fits our schedule probably better as well because the minister had a previous commitment that takes her away from the House and she would not be able to return until approximately 9.20 or 9.30 this evening.

This probably fits our schedule better commencing at eight o'clock as well.

Mr. Speaker: If there had been agreement the debate could have started earlier, although probably at six o'clock, if not six-thirty. However, as the House has heard, there are reasons why consent cannot be given.

The motion will be put at eight o'clock this evening.

GOVERNMENT ORDERS

[*English*]

CANADA PENSION PLAN

MEASURE TO AMEND

The House resumed consideration of the motion of Mr. Bouchard (Roberval) that Bill C-39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act, be read the second time and referred to Legislative Committee B.

Ms. Mary Clancy (Halifax): Mr. Speaker, I am very pleased to participate in this debate on second reading of this bill and look forward very much to this bill going to committee where it can be amended in the manner that is necessary to make it the kind of legislation that we need to have with regard to most particularly the Canada Pension Plan.

As we are all aware, the Canada Pension Plan has been in effect in this country and with its partner, the Quebec Pension Plan in the province of Quebec, since 1966. The purpose of this is to provide a measure of protection to Canadian workers and their families against loss of earnings due to death, disability or retirement.

It covers virtually all employed and self-employed persons between the ages of 18 and 65, and it is optional to the age of 70, who earn more than the year's basic exemption. It operates everywhere in the country, as I have said, including in the province of Quebec where the parallel Quebec Pension Plan is in force.

It is financed through contributions from employees, employers and self-employed persons and from the interest earned on those contributions.

Everyone who is employed has a contributory period which either began in 1966 or at the age of 18 and ends when the contributor takes his or her retirement pension or reaches the age of 70. A person who spends time out of the paid labour force caring for a child under seven for whom a family allowance benefit is payable can drop those years from the contributory period if it is to their advantage.

In other words, this is a good plan. It is a plan that Canadian workers and their families depend upon and it is a plan that is part and parcel of the social fabric of this country. But this plan, like many other financial institutions in our country, is under a form of assault due to inflation and other problems facing us as we come to the end of the 20th century.

Indeed, the most recent actuarial reports show that if contribution rates to the fund are not increased, the Canada Pension Plan risks insolvency. That is only sensible when you consider it, Mr. Speaker, and it certainly applies to a number of the people in this House, those of us who were born in the famed post-war baby boom, creating the largest demographic bulge in this country. As we march onward to the years of retirement that increased number of people out of the paid work force who are receiving benefits will obviously increase to an insupportable level if the fund is not increased.

By the government's own reckoning, short term increases in expenditure are due to higher than expected take-up of early retirement, an idea than has been pushed a great deal because of unemployment problems in this country today, and a lower than expected productivity in the Canadian economy. In the long term, higher expenditures are due to lower assumptions for future fertility and mortality rates and lower assumptions for productivity increases.

The schedule for the increase in contribution rates will be $7 in 1992 for each person with an average wage of $30,500. This contribution increases to $42 by 1996 allowing for a combined employer-employee contribution rate of 4.6 per cent in 1991 to 9.1 per cent in 2011, as opposed to 7.6 per cent by 2011 if the current contributions schedules are maintained.

What are the good points of this bill? One good point is that the bill will ensure the continued good health of the Canada Pension Plan which is absolutely to the benefit of all Canadians. It will provide increased benefits for the 170,000 children of deceased plan participants and benefits will rise as of January 1992 to $148 per month from $113 per month.

A third reason to support this bill is the increased benefits for women. One of the things that is very close to my heart is the whole question of credit splitting in the Canada Pension Plan.

In 1978, the Canada Pension Plan was amended so that divorcing spouses could have pension credits earned during their marriage divided equally between them. Previously, women who stayed at home to raise their children received no pension entitlement. Either spouse could apply for the split within three years of the divorce, however, only 2 per cent of spouses did so. The major reason for this was that this particular benefit was not well known. I well recall some time in the early 1980s bringing this point to public attention in Halifax through a radio program and getting a lot of complaints from a number of my colleagues. The problem was that if you did not specify the splitting of pension credits in a marriage contract or a separation agreement, or in the minutes of settlement of a divorce case, then the wife claiming a split of the husband's benefits was out of luck because the contract precluded her claiming them.

The second thing was that most women would be unaware of this unless told so specifically by their lawyers. The tragic point was that very few lawyers practising in Canada were aware of this. If husbands were aware of it, they obviously were not going to tell their divorcing wives at the time in question.

In 1983, the Canada Pension Plan Appeal Board ruled that the standard clause in divorce settlements, that the parties would have no further claims, that all claims were exhausted by the particular contract or minute of settlement, precluded equalizing pension credits later. In other words it became more and more difficult for

women to seek this redress and to take this benefit, a small one in many cases, but it made a difference.

The difference that it made could be a significant difference particularly to wives and families in low income categories. In 1986, the Canada Pension Plan was amended again. At that time, for subsequent divorces, credit splitting rights were declared to be unrenouncable unless provincial family laws explicitly provided for it. In other words, unless there was a provincial statute saying that you could renounce this benefit, you could not renounce it. Even by signing a contract you could not give up this specific right. This received a fair amount of publicity and consequently a number of applications for credit splitting took place over the next four years throughout Canada. However, in the fall of 1990, the Ontario case that had gone before the Canada Pension Plan Appeal Board was appealed to the higher court in which it was ruled that "no court order may produce a result contrary to those of statutory arrangements". Again the credit splitting question was placed back into limbo.

• (1530)

The 1987 amendments to the Canada Pension Plan were designed to make the splitting of spouses' CPP credits automatic upon the notification of divorce. However, currently one or both parties must notify the department of the divorce and supply the necessary information so that the credit may be split. There are a great number of reasons why this does not happen: ignorance of the provision, apathy, a lack of awareness and the fact that a number of lawyers are unaware of the specific situation. The level of request is low.

It is absolutely necessary that the government find a way to integrate a provision in this bill so that the welfare of the non-contributing spouse is guaranteed. In other words, the appeal case in 1990 said that "no court order may produce a result contrary to those statutory arrangements". If the statutory arrangements specifically said that credit splitting will be automatic I suspect that the problem will be solved.

A study by National Health and Welfare shows that 94 out of every 100 women marry and that one in every three marriages ends in divorce. In 1988, 56 per cent of single mothers lived below the poverty line, many trapped in a vicious cycle of poverty which condemns not only them but their children to live in dire circumstances. We are not suggesting that the credit splitting of Canada Pension Plans will solve this problem, but it will help. To the average mother living at or below the poverty line, having a very difficult time in collecting maintenance payments, child support payments, the automatic credit splitting of Canada Pension can make a difference.

We realize that this may seem small in the over-all scheme of financial matters, but I think there is a moral responsibility on every one of us here in terms of women who do not receive proper support from their former husbands, in terms of women who are in almost every case subject to some form of financial disadvantage and in terms of women who still make 60 cents for every dollar that men make.

I have said this so many times that it is almost like a record. I could just push a button and the record plays, but I am going to say it again to the hon. member from Algoma East. The figure of 60 cents for every dollar that men make includes women employed at salaries such as the women who sit in this House, female doctors, lawyers, managers, engineers, upper level public servants and so on. When you remove those women from the statistics the average woman in Canada who is employed makes 50 cents for every dollar that a man makes. The real tragedy of those statistics is that they have not changed in over 40 years. That was the statistic in the post-war era of the late forties and it is the statistic today. That becomes very personal to me because it means that in the year I was born that was the statistic, and 43 years later there is no change. I think we should be ashamed of that as a country.

This particular bill is not going to solve all of that, but it at least creates some small redress which is necessary on the part of this government. The problem is that various governments, Liberal and Conservative, have tried to fix it and somehow each set of amendments to the bill has managed to fall down a rabbit hole and not solve the problem for women who need this problem solved.

There are a number of other good points about this bill. One is the question about a disabled contributor's child benefit. Up to now, only natural or legally adopted children could be paid a disabled contributor's child benefit if they became dependants of the contributor after the disability commenced.

Disabled contributors' child benefits would now also be paid for children who are adopted in fact or who come under the custody and control of the contributor after the start of the disability.

This is a very important addition as well. I do not want to get into the area of my hon. colleague from Hamilton Mountain who is very much on top of the situation, particularly with respect to the disabled. However, I do want to make some points with regard to the whole question of custody, care and control of children. Particularly in this day and age the breakdown of the family frequently puts a grandparent or an aunt—almost always a woman—in a situation in which a court will grant her the custody of a grandchild or a niece. It might be someone else who in the words of the legislation in the province of Nova Scotia "has an interest in the custody, care and control of the child". In other words, many children end up with a custodial care giver through the courts who is neither the parent by blood nor by adoption.

In the past these people who come forward in the vast majority of cases out of a deep sense of caring for the child and out of a deep sense of a moral obligation to look after the child are often left with an inability to take care of that child because the relevant legislation affecting parents and children has excluded them.

I suppose to a degree this is within the purview of the Law Reform Commission. It is within the purview of this House as well not just to look at this legislation we are amending now but to make an attempt to do some sort of wholesale review of legislation as it affects women and children generally to ensure small benefits which do not cost the government a huge amount of money but which can make a difference between a bare minimum form of existence and an existence that perhaps goes slightly above that to an existence that is the true birthright of all people who live in this country.

There is so much poverty and so much misery in this country because we are told we cannot find the proper dollars and channel them in the proper way so that the proper programs are in place to assist people. When people lose benefits because of mistakes in legislation that are tantamount to misprints then all of us bear a responsibility.

This is why I say that I look forward very much to going to the legislative committee that will deal with this bill and talking about amendments that can clean it up further, tighten it up better, and can make sure that benefits for Canadians under the Canada Pension Plan are done in the manner in which they should be done. We must ensure that we do not allow certain people in certain circumstances to fall between two stools because the House of Commons is too large and we are too busy to notice the small mistakes that can engender misery for large numbers of people.

It is the kind of thing where each one of us on all sides of the House must make sure that the *t's* are crossed and the *i's* are dotted, particularly in this recessionary time when we are faced on every side with cutbacks. A piece of legislation like this can make a vast difference in my own Atlantic region. We are very concerned there with the cutbacks in transfer payments, with the death blows dealt to the unemployment insurance plan, with the skyrocketing bankruptcies and all of the attendant misery of a recession that has the four Atlantic provinces in a death grip.

Just this past week while I was at home in my riding I drove around and I saw the number of small businesses that have closed in small shopping areas around my city of Halifax and the outlying areas. I saw them closed. I saw barred windows and boarded up establishments. That tells me more clearly than any statistic anyone gives how people are suffering in Atlantic Canada. At the very least we must do what we can.

• (1540)

This bill in and of itself is a reasonable bill. It needs some fine tuning. It needs some cleaning up and it needs some amending. I know that my hon. colleague from Winnipeg North will be looking very closely at this, as will my hon. colleague from Hamilton Mountain.

I look forward to working with them and indeed with the government members. I suspect that this is one of the areas where we can show that we can work together on all sides of the House to make sure that we are putting in place a bill that is of maximum and optimum benefit to ll Canadians.

I know the minister would agree that the people of Atlantic Canada have suffered a great deal and expect to see some respite from their government to make life a little better.

It may well be that this bill properly amended and brought back to the House at report stage will have at least a little good news. It is a very dark tunnel and this may be just one small candle at the end of the very dark tunnel.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I am happy to have an opportunity to speak on Bill C-39.

As we all know in this House the primary role of this bill is to keep the Canada Pension Plan solvent through increases in contributions by employers and employees. We know under the current condition that if we did not amend this bill by the year 2001 our pension fund would basically only have a six-month period of funding for the plan claimants.

The departmental officials have made the claim that this is not really a mismanagement of the fund but it was basically an inability to calculate accurately the birth and death rates from a calculation of 20 years ago. I can understand that.

There is also the diminishing worker productivity and early retirement. We on this side of the House are going to support this bill because there is enough economic stress and depression in the country right now without us tampering or putting any cloud of doubt around our Canada Pension Plan and our disabled pension plan as well as the other funds such as family allowances, et cetera.

When we analyse the current economic climate that we are in we have still to face up to the reality that this is another tax on employees and on employers. Even though the numbers are small, for example in this particular bill, we are talking $7 per employee per month. In other words it is a $42 contribution by the employer over a six-month period.

It seems like a small amount of money, but it is a fact that there is a tax on our new bankruptcy bill coming in. Here is another added tax on our Canada Pension Plan. Think of all the tax increases that have happened with this government. I think there have been well over 40 now if we include legislation that is in first, second or third reading.

The people of Canada are frustrated with the current tax climate in this country. I had a bit of time on the weekend to go over this bill. As I was reflecting on it I thought that rather than continue the debate on the specifics of the bill I would address the fact that maybe what we should be doing is talking a little about what we can do to try and create some more wealth and try to reverse the capital flows that are leaving this country right now. The flight of capital from this country right now because of the current tax designs that exist has reached a crisis proportion.

We know that in the province of Ontario alone in the last year foreign investment which usually goes into direct investment was down by close to 50 per cent. That is a tremendously high number. When we think of the number of jobs we are losing in this country it is no wonder we hear of the decrease in foreign capital. We need foreign capital in this country. I keep repeating myself in this House and sometimes I wonder if the government ever pays attention to anything said in this House. It always says: "Give us ideas in order to advance the debate". Very rarely do I ever see it take these ideas.

I have been campaigning in this House of Commons for the last two years to change the tax system. I believe that if we were to take a radical approach to changing the fundamental personal and corporate tax design in this country we would not be sitting here today debating this bill in the way we are. We are asking for a further indirect tax increase from employers and employees, not to mention the government's contribution.

The way to create wealth in this country is not by adding to the tax litany. The way to increase wealth is to lower the basic tax structure. When people make personal or corporate profit they do not tend to want to leave it in Canada. Because of the tax designs that we have they want to take this money and look for other places to put it. Most people who make large sums of money in this country today either want to put it in the islands or they want to put it in Switzerland or they want even to move it to the United States. We have over a million Canadians living in the state of California. One of the reasons these people are going there is that there is a tax incentive.

Why do people put money in the Bahamas, in Nice and in the islands? They put money there because there is a better tax rate. It is the same in Switzerland. They put money there because of a preferred tax rate.

Because of the lack of confidence in this country today and because the spirit of this country is depressed, we are seeing more than ever a flight of capital. It is not just shrinking foreign capital but also a lot of our own

domestic capital is looking to go either to the United States or the islands or even Europe.

What we have to do is reverse that flow of foreign capital. The only way we are going to reverse that flow of foreign capital is by making sure that we have an incentive for people to come and invest in this country.

• (1550)

The embassies and the consul generals in this city monitor this House of Commons. Week after week after week they see a tax in this bill and another tax in that bill. They see a litany of taxes. It does not matter that they are just small amounts. These small amounts added up along with the paper burden do not attract people to participate in the economic growth of this country.

I have been saying in this House of Commons for the last two years now that what we should have is a single tax rate. We should have a rate where we are charging people not more than 20 to 22 per cent both on the personal and on the corporate side.

What will that do? Let us just take some of the people who are popular Canadians. Let us just take a Canadian artist like John Candy. He has made a tremendous contribution in this country. We are reminded of this by last weekend and obviously again next weekend. He has invested heavily in my home town team, the Toronto Argonauts. If there was a preferred rate this is the type of person who would find a lot more incentive to participate in the Canadian economic life than currently exists.

There are a lot of John Candys in this country. They may not all be actors but there are a lot of people in business, sport and a lot of other sectors of the economy where that capital should be based in Canada. The way you do it is with the tax system.

Why can we not make a country like Canada into a Switzerland in terms of attracting reserves? Surely to goodness we can do what they do on islands like the Bahamas where they attract large pools of capital. I do not mean we can attract in terms of lifestyle but in terms of foreign investment.

When large pools of capital come to a country and they put it in financial institutions, it puts downward pressure on interest rates. That is what allows our entrepreneurs to get capital which they in turn use to go out and create jobs.

When people are working they pay taxes and that ultimately leads to less unemployment insurance and less welfare payments. This would ultimately lead to a situation where we would not have to be worried about our Canada Pension Plan being jeopardized. It is absolutely ludicrous in my opinion that we are in a country as rich as Canada in terms of resources and entrepreneurial spirit, and we are not galvanizing it. We are not turning it on. We are not utilizing it. We are not using those resources to attract capital which ultimately will create larger revenues for the country.

It is so simple to me. Consider those who make a couple of hundred thousand dollars in a year. It could be some of our superstars in industry or in culture or in sport who sometimes make as much as a million dollars a year. When they are given a tax act the way ours is structured today, which is in some instances close to 60 per cent, it is no wonder they want to park enough money here in Canada to live and then tend to move offshore.

Can we imagine if we reversed that and that capital stayed here? Can we imagine if we were sitting in this House today and instead of having more than two million people unemployed they were working and paying taxes?

Can you imagine what we could do if that kind of condition existed? It requires the government to take a leap of faith. It seems to me that if we are going to mobilize people in a positive way, we are first going to have to show them that the legislation we are putting forward in this House is sending out signals of fairness.

All of the legislation we have put through this House in the last 60 or 90 days has basically been sending signals of unfairness. Week after week all we do is sit in this House and talk about another tax increase: "Oh, well, it is not that much. It is only $7 a month here and on the Bankruptcy Act it is only 5 cents per person per week". It is from GST to bankruptcy tax. Now we are trying to cloud the Canada Pension Plan. I think the way to motivate a work force is to treat it fairly. This government, whenever it has found itself short, when it is trying to keep its fiscal framework in order, always goes for a

tax increase or the selling of a Crown corporation to get it off the books.

When this government talks about productivity it forgets that the key to productivity in this country is a motivated work force. This government controls the only instrument that can turn a work force in this country on, and that instrument is the tax act.

We sit in this House today and talk about the Canada Pension Plan which is something that seniors in our country have never really worried about before. They have never really considered that our Canada Pension Plan was in any jeopardy.

I realize that we want to maintain a fiscal responsibility on this act. I said it earlier today and I saluted the member for Calgary Southwest that it is a good move. We want to get our fiscal framework in order. In the process of doing that we have to look at the entire package. One of the things I believe would maybe create a lot more wealth in this country, which would allow us to fund this pension plan in a much more progressive way and maybe without going to these taxes for employees and employers, is by radically reforming the tax act. At the core of that reform has to be a simplicity of the act so that people in this country can judge fairness.

I would submit if that approach were implemented the productivity levels in this country would be such that it would attract new foreign capital to this country, which is ultimately a key to job creation. God knows we need job creation in this country in the worst way right now. A radical reform of the tax act would probably encourage a lot of those people who are tempted right now to move their resources offshore to keep their resources here and invest in this country.

That ultimately is what we are supposed to be doing in this House. We are supposed to be devising a way to get this country out of its chronic depression. There is a chronic depression out there today and we should be using our creative juices to try and figure out ways to pick the morale up.

• (1600)

Today we are talking about the Canada Pension Plan. By adding a further tax on employers and employees at a time when we are trying to pick ourselves up and trying to avoid going back into a second recession is a two-edged sword.

Yes, it is fiscal responsibility and we must keep the Canada Pension Plan in shape, but I think in the process of addressing this issue we should also look at the total plan. We should see what we have to do to attract capital and mobilize the will of this country again so that we can get those two million people back to work and make sure that the treasury of this country has all the resources it needs.

The Canada Pension Plan, one of the greatest in the world, should never be thought to be in jeopardy by any of our seniors in this country or by the people who are working hard and thinking about the fact that in 15 or 20 years from now when they are seniors they will want to make sure that plan and that fund are solvent.

Mr. Neil Young (Beaches—Woodbine): Mr. Speaker, I am pleased to have the opportunity to say a few words on Bill C-39 and the amendments that are being offered by the federal government in co-operation and as a result of negotiations with its provincial counterparts.

The Canada Pension Plan can only be amended by agreement between the federal and provincial governments which makes amendments to the act extremely difficult at best and sometimes impossible at worst.

I want to say at the outset that my party supports the two amendments that I am particularly interested in today. The first one is the increase in monthly benefits to the children of disabled or deceased contributors to an amount of some $35.

Having said that, I want to remind the House that around 1986 or 1987 a major review of the Canada Pension Plan took place and an agreement was arrived at between the provincial governments and the federal government for a whole number of amendments to the CPP, including a substantial and very much needed increase in CPP disability benefits to the then current recipients.

With the co-operation of the opposition parties at that time we again rushed through these amendments as we are being asked to today because there is a deadline for getting those improved benefits through to recipients of the CPP disability pension plan.

We did that only to discover that provincial governments immediately deducted an equal amount to the increases in the CPP disability benefit from programs that provincial governments were paying those same people under provincial benefit programs. Insurance companies also paid the disability benefit to the same

individual as did employers under different pension plans.

At that time there was a great outcry both from the government side and from the opposition. They said: "What was the sense in increasing benefits to those recipients who badly needed them only to have a second, third or fourth party sometimes deduct an equal amount from benefits that they pay so that the individual was no better off financially?"

I see the federal government has not learned anything in the last four or five years because there is nothing in these amendments that would prevent the same thing happening again. If that happens I think we will be doing a great service to the children of these recipients whom we are now trying to help.

I would hope that the committee emphasizes that part again when this is referred to a legislative committee, hopefully within the next day or two. That is my first concern, that it has not been addressed in the negotiations with provincial governments to prevent that kind of thing from taking place again.

The other thing that I am a bit disappointed about, even though there has been some movement to alleviate the situation somewhat, is where an individual has become disabled and is under the care of doctors, therapists and whoever else. There is also hope that such individuals would recover and be able to return to a useful occupation. What happens very often, because they hope they can return to work and because the medical profession is always hopeful that they could be rehabilitated, is that it may take them two or three years to apply for a disability benefit under the Canada Pension Plan.

What the Canada Pension Plan says is that unless one makes that application within 15 months of sustaining that disability one will not be eligible for a benefit under the plan.

This could be someone who has contributed to the plan since 1966 when the Canada Pension Plan first came into effect. Suddenly, because of changing circumstances, those individuals would be ruled ineligible if they did not apply for that benefit within 15 months of that disability first taking place.

The small change that has been made in the amendments before us is that if the applicant failed to make such an application as a result of mental incapacity, the government and the administrators of the plan would be willing to take another look at it. That is fine. I welcome that because it is something that was not there before, but many Canadians suffering from a mental incapacity have simply failed to apply for a benefit because they are continually hoping that they will recover from the incapacity.

I think in all fairness the government has to take a second look at that. It is certainly not fair to the individuals and it certainly provides a disincentive in many cases for an individual to become rehabilitated. In other words, it is in the individual's best interest to apply immediately for a benefit under the Canada Pension Plan for a disability pension and to heck with everything else. To me that is counterproductive to trying to get people back into the work force.

Surely it is fair to say that an individual should have the opportunity—and the individuals I know would welcome it—to enter rehabilitation programs. Having done that they should not be penalized for not making an application for the benefit within the time constraints that are laid out under the legislation.

I think it is being pound wise and penny foolish, to coin an old phrase, to continue with that approach. I do not think it makes any sense in these days of enlightenment toward concerns that people in the disabled community in Canada have.

Another problem I have is on the other side of the coin, when someone is disabled to the point that they cannot continue to work any longer. We have a situation under the Canada Pension Plan to avoid all the legalities involved. To put it in a nutshell, one has to be practically comatose in order to apply for a benefit and receive it.

• (1610)

What the act talks about is that in order for an individual to be eligible for a disability benefit under CPP, the person has to be "(a) incapable regularly of pursuing any substantially gainful occupation".

I take a look at members on the government side and members on the opposition side. Every one of us has had individuals in our constituencies who have had a tremendous problem in establishing a claim because they could maybe walk down the street, sit on an elevator. I had one such chap, even though there are no such jobs anymore,

driving an elevator up and down. They used to have them in the Eaton Centre in Toronto but they do not have that anymore, someone sitting on a little stool punching buttons for the customers. That does not exist anymore.

I finally got this one fellow a benefit. After many, many years he got the benefit. Then his doctor decided that it would be good for him mentally to enter a program that taught English as a second language. It was good for him mentally, it was certainly good for the guy physically, and he agreed to do that, unbeknown to me.

He entered the program, notified CPP, and he was immediately cut off benefits. Here was a man who was trying to help himself hopefully to get back into the work force and play the traditional role that he felt would help him provide a means of support for his family, and he got cut off. It took me three months to get him back on. Even then, the guy had to leave the program he was in. There was no way he could receive that benefit while remaining in that program. I told the guy to get out of the program and we would see if we could get him back on CPP. It is stupid, to say the least, to treat people that way.

Even though an individual is incapable of working, if he is willing to at least try to enter a rehabilitation program, then why are we preventing them from doing so? We provide the disincentive that says: if you go into that program, your benefits are going to be cut off. That is what happens, and I think it is high time, and the government promised this four or five years ago, that it changed that kind of silly approach to these things.

Surely it would make sense if we changed the definition of disability under CPP from both severe and prolonged to something akin to significant or extended disability respectively. It would make an awful lot more sense and would be fairer to the individual. I think it would be less of a drain on the Canada Pension Plan, quite frankly, if that more enlightened approach to the problems that people face who become disabled.

There is one other item I want to touch on before I sit down. That is the question of where a couple unhappily find themselves in a situation where they must separate or even have a divorce.

There have been cases that were existent in 1986 and 1987 when we last looked at the Canada Pension Plan. We tried to deal with it at that time and had a great deal of difficulty in doing so for a variety of reasons. There was a case reported recently, within the last three or four weeks, of a woman who had been married to this man for some 30 or 35 years, and the marriage broke down.

It turned out that the male either continued, or ended up, in a common law marriage with a younger female for a period of about five or ten years. Then he died. When he died, the first wife, the first woman, was denied any benefit under the Canada Pension Plan. She was denied any benefit under the Canada Pension Plan. No, I am sorry, she had received the benefit under the Canada Pension Plan. Then it was discovered because of this common-law relationship that she probably was not entitled to the amount of benefit she had been receiving. Canada Pension Plan officials were demanding that she pay it back.

I think I am correct in the facts. That woman, an elderly person, without any visible means of financial support for herself, in all likelihood will lose the only possession she has, which is the house she and her former husband had paid for in order to provide herself with an income in her later years.

We tried to address that kind of problem in 1986-87. I think it is time we took a hard look at saying that on marriage breakdown Canada Pension credits should be split and they should be split automatically. At the present time it is not. What happens, and the argument goes, is because these are under property laws which fall under provincial jurisdiction, that property which includes pension credits has to be split under provincial jurisdiction.

I think that is kind of sad. Here is an elderly woman who has given her life to a marriage and a breakdown occurs for whatever reason and she is left with with the old age pension. No Canada Pension Plan benefits, even though she may not have been in the work force, as a part of a benefit her husband received as a result of the work she performed in the home. To say that she is not entitled to a part of that pension benefit seems to me to be ridiculous. It is certainly something that this committee should take another look at or at least get a commitment from the minister when he appears before the committee to make a real commitment to look into

this with the provincial governments because it would also require their agreement.

There is a last point I want to make. As you know, under the Canada Pension Plan, there is a child bearing dropout period. In other words, a woman can leave the work force for a period, I think, up to seven years to look after a child and she will not be penalized in the calculation of her Canada Pension Plan contribution period of benefits at the time she is ready to retire.

It is an area that had not arisen before, but has since arisen. The theory is that the seven year old child will be attending school in the formative years and the mother, usually the one who looks after the children in our type of society, could be penalized because she has not made contributions. We looked after that. The seven year dropout provision was fine insofar as it went.

I am interested in taking a look at the act from the point of view of recognizing that there are many care givers, women, mainly mothers, who stay at home to look after disabled children, kids who may not go to school within that seven year period, kids who may never go to school at all because a number of school boards, not having the tax base that there may be in a city like Toronto or Vancouver or St. John's, cannot provide the means to educate a disabled child as can be done in some major centres.

If we cannot provide the means to give such children an education by providing municipalities that do not have the tax base to provide that education, then surely we should not be penalizing the mother who in the main looks after that child and stays at home to do so.

That is another area where I think we should try and get a commitment from the minister when he appears before the committee to take that up with his provincial counterparts to make sure that kind of care giving is not being penalized. It is not only unfair to the woman who in the main is the care provider, it is certainly unfair to the child.

I see I am being signalled that I have a few minutes left. That is about all I wanted to say. It may be a number of years before the Canada Pension Plan revisits this place again. This may be the last opportunity before the next election. I would simply urge members of that committee to seriously discuss not only the questions I have raised, but many from other members of the House in order to make a real commitment in trying to address those concerns.

• (1620)

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Mr. Speaker, I was very much interested in the comments of the hon. member because the question of Canada disability pensions is something that I as a member of Parliament work with just about every week. I meet with constituents who have questions or are in the process of making an appeal. I agree with much of what the hon. member says.

I would like to point out to the House that there is a lot of co–operation and insight that is necessary when an application is made. It certainly helps to have the co–operation and understanding of the local member of Parliament who has had this problem brought to his or her attention and certainly the departmental officials. I always try to bring in the medical profession as well. In the example that the hon member uses where a person's work life has come to an end, we need the co–operation of the medical profession to make that call. Neither the hon member nor I are members of the medical profession. I see one member across from me who is. Sometimes it is a difficult call. When I talk to doctors I try to encourage them to try and come to that conclusion on behalf of an individual. It is so important because a person has to come within the ambit of the law.

One of the examples the hon. member gave was an individual who took on a job teaching English as a second language. Just to complete the picture, I have had examples on the other side where the department has in fact shown some flexibility. One example was an individual in Niagara Falls who had a heart problem who is working today as a traffic guard. I had the same concern as the hon. member that this would finish him with the Canada disability pension. It was only a couple of hours a day, but his doctor had recommended it as part of his therapy. In that particular instance, when the departmental officials had a look at it, they went along and they recognized and agreed that it could be a part of that individual's rehabilitation while at the same time getting a disability pension.

I would like to have one question answered by the hon. member. Perhaps it is just a point of a clarification. I think I heard him give an an example of an individual who's disability has begun and it is 15 months, I believe, before they apply. I hope the impression is not left that that individual will be precluded or his statute barred from making the application. It would seem to me that he or she might only get 12 months retroactive benefits, but that person could still apply if he came from having worked within five of the last ten years or two of the last three. The last example would not be perfect because the individual in this case has been out for 15 months. I do not think I want the impression to be left that somebody could not make the application. I certainly encourage individuals to make the application, if they have been in the work force for five of the last ten years. I just caught the member's example of the 15 months where I could see they might lose some of the retroactive benefits, but they would not be precluded from applying. Perhaps the hon. member could explain to me or elaborate on his comments.

Mr. Young (Beaches—Woodbine): Mr. Speaker, I am glad the hon. member has asked me that question because it requires some clarification. He is absolutely right in his understanding. I may have left the other impression.

There is one thing I want to clarify where I think I have left some confusion. The individual I spoke about did not go to teaching English as a second language, he went to learn it. He went and took a course to learn English as a second language. He was not working and his doctor felt that it would be good for him mentally to do that, and so he did. As soon as he did, even though he was not working he got cut off. That is the kind of strict interpretation that the language in the act seems to require.

I understand that there are individuals, officers and workers within the Canada Pension Plan system and bureaucracy who exercise some leeway on cases, but it should not be like that. That is the problem with this kind of legislation. Surely to goodness people should have an equal right to access a benefit that they have paid for and which is being administered by a government agency such as the Canada Pension Plan. It should not be up to an individual going to Niagara Falls, for example, and meeting a kindly administrator within the Canada Pension Plan who says: "Mr. Smith, you are absolutely right; you are being treated unfairly. This is nonsense. You are eligible". The same individual could go into an office in Toronto or Vancouver or St. John's or wherever and meet a grumpy person who says: "I don't care how disabled you are, right. As far as I am concerned I feel lousy this morning". I am not suggesting that is what happens, but the individual is not going to get the benefit even though an individual under the same circumstances in another part of the country receives the benefit because he or she has a more sympathetic administrator within the CPP.

I would like to have that language loosened up so that an individual who does go into a retraining program of whatever nature is not going to have this disincentive and be disqualified simply for doing so.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, the current legislation does not allow for retroactive payment to any applicant who is under age 70 at the time of application if the applicant fails to make that application.

I have seen many constituents that have fallen into this trap. I feel that since those Canadians who have worked have contributed to this plan years previous to their retirement it has therefore become their inherent right to claim what they have contributed to in the past.

Why is there a provision that precludes them from applying or getting the benefits if they did not apply in time? I pose that question and I wonder whether the hon. member could comment on the unfairness of a provision in the current act that precludes payment if one happens to apply late and will not be able to recover that even if one had contributed to it. It is one's basic right as a contributor to the plan.

Mr. Young (Beaches—Woodbine): Mr. Speaker, as far as I am concerned, where an individual makes an application for disability benefits under the CPP and that disability is supported by a person from the medical profession of whatever type that person's application should be considered in that light.

I have run into cases of disability applications. The most common one is a case of someone diving into a lake in the summer without due care and striking his or her head on a rock or boulder or something and breaking his or her neck and becoming either a quadriplegic or a paraplegic. That can happen at any age and that individual very often is not in a position because of this accident to make an application on time, as the department says. If that individual is disabled, surely society has an obligation to to help and give whatever assistance possible to allow him or her to continue to live in the

mainstream of Canadian society. That is what this whole thing is about.

• (1630)

It comes down to what kind of society we want to live in and what kind of society we want others to live in. Surely to goodness when we get a piece of legislation that is so strict and the language so tight that it allows practically no leeway there is something wrong with it, especially when it is dealing with individuals who more often than not are being not denied but certainly restricted to any entry back into the work force. Surely we have an obligation not only to those individuals but to ourselves as well.

[*Translation*]

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker I am very pleased to speak today on Bill C–39, which was tabled just two weeks ago, I believe.

[*English*]

For my own constituents in Mount Royal riding, to address this bill and its implicit amendments to the Canada Pension Plan is somewhat different from what they live with under the Quebec Pension Plan, although for people living anywhere in Canada this plan is a cornerstone of the social safety net that we have built so carefully in this country since 1966, I believe it is.

In my riding where close to 20 per cent of the constituents are 60 years old and over, it is quite an amazing reality. This plan and the program and its implicit impact on Quebec as a guide or direction will be very important in the future.

Many of the changes do not apply to Quebec except for over the next five–year period for which the Quebec Pension Plan has been amended to increase contribution rates at a similar rate for 1992 to 1996, but it does not as yet have a 25–year schedule as does the Canada Pension Plan in the decisions that were taken jointly at the federal and provincial levels.

The benefits, and I want to make this abundantly clear, are not the same in Quebec under the Quebec Pension Plan as they are under the Canada Pension Plan and so I would like to keep my remarks fairly general.

As members of Parliament we are not only interested in how it relates directly to our constituencies but also in how it relates and how the policies brought forward by the government relate to all Canadians from coast to coast to coast. In that regard I think this bill does many important things, particularly with respect to children and to some of the touch–up and remedial measures that are brought in.

There are some questions that have been raised by my colleague who is leading our party in the debate, our member from Winnipeg North. He has raised some very pertinent questions as have other members—and I hope that they will be addressed with a great deal of seriousness—with regard to the well–being of the children who are addressed quite particularly in this bill and the benefits as a result of either a disabled family member or a loss through death. They will be able to have a better income to help support them as they move through their childhood and adolescence to age 18 and, if they are at university, from 18 to 25.

Mainly, as I pointed out, Bill C–39 seeks to preserve the health of the Canada Pension Plan and its ability to make payments through an increased contribution rate. They are looking at a 25–year plan and particularly an adjustment to this five–year period. We have an example of how two levels of government can work together to take a look at changes that are needed.

With respect to the specific amendments, the bill increases the Canada Pension Plan benefit levels for 170,000 dependent children of deceased or disabled plan participants. I think as we are looking more and more at the rights of the child, the needs of the child, as we are looking to sign an international agreement with respect to the child, and as we note the level of poverty, it is important to address all our concerns so that the children can become a well educated work force and become satisfied members of our society and contributing members of society. This is a welcome move. The

amount, the $35 we are talking about, may not sound like a great deal of money. If we multiply that times $170,000, I think that it is a significant amount and is at least one step forward in addressing the acute question of child poverty, the one that is preoccupying all of us.

In the light of poverty it is not only poverty in a financial sense that is implied when we talk about poverty, but it is poverty that relates to inappropriate nutrition and inappropriate clothing in the rather harsh and unkind atmosphere of Canada.

It relates to the kind of housing that these children are brought up in. It relates to the size of the family and the structure of the family, whether it is a single parent family headed by a mother or another type of family. We know that close to 80 per cent of those families live below the poverty line and that it has very serious implications for the well-being of the child.

Any move that we can make to alleviate the stress on children particularly at a time of loss of a family member or if there is a disability of a family member becomes a very key public policy which we welcome on this side of the House.

When I think about the Canada Pension Plan I think about what it is meant to do. It is fundamentally meant to protect us as we age in society and in a sense ensure that although we no longer are in the position to make a contribution to the working world in the sense of work for pay, we still are able to contribute to society in many other ways. Those ways are within the voluntary sphere, within the sphere of enabling role models to exist within society in demonstrating that older people have a place of importance.

To do that you really need to have a healthy society that has financial means to feed, clothe and house its members. In this pension plan the problem that we are dealing with in our own lives and those of our friends is how to have ample income at the end of our working years, be that at age 65, 70 or before or for many reasons such as early retirement, et cetera.

What more noble goal could a country have than one which helps maintain an income stream for Canadians living in any of these situations?

If we think about it, how many of us have friends and neighbours who have retired and who depend on the Canada Pension Plan, Old Age Security and the supplementary benefits that come along so that we can have an adequate living style in our country? We all know that there are more and more Canadians benefiting from these kinds of programs.

We are addressing in this bill the rights of the retirees, the state of health of those retirees, the disabled and the children of deceased plan participants. I guess these important areas and evolving areas have seen changes in the pension plan since it was first conceived back in 1966. I might add it was by a Liberal government.

Quebec provides benefits for its population under the pension plan which was established in 1966, at the same time as the Canada Pension Plan. It exercised its constitutional prerogative to establish a comparable provincial pension plan in lieu of the Canadian Pension Plan.

It would be fair to say that the two programs in many respects are similar in their framework design and eligibility criteria, though the benefits can differ quite significantly.

At the moment Quebec has agreed to amend its own contribution rates to match the increases made in the CPPs for the next five years as set out in this bill. That points out the similarities in this program.

I am told however that Quebec is expected to introduce amendments to revise its own pension plan law, possibly by the end of this year. For the longer period beyond five years, Quebec will still have to pursue its own review of projected benefits and contributions to establish its own requirements for the next 20 years.

I think it could have a different kind of outcome for those under the Quebec Pension Plan than for those found under the Canada Pension Plan. I am not saying that that is better or worse. It might be different.

• (1640)

Despite the differences that exist, I nonetheless believe there is something we can learn from Quebec and we might want to examine that in committee. If we look at what Quebec has done, it has found a mechanism to use the funds in a very creative and helpful way for industry. It has enabled this massive amount of money to be put to constructive and good use in the interest and well being of the citizens of Quebec and the industry in Quebec through the *Caisse de dépôt et placement*.

I wonder whether there is not an idea there that is worth exploring, an idea which would allow us perhaps to give some consideration, and it may not appear in this bill but it could be examined under this bill, to establishing a dedicated fund for a portion of the contributions that come into the Canada Pension Plan to be invested in a creative way, somewhat similar to what Quebec does in the Quebec model, while the balance could continue to be on call at the low rate of interest for the provinces.

We are in this bill trying to preserve the health of the Canada Pension Plan and its ability to make payments through increased contribution rates. The schedule of increase of the contribution rates will be $7 in 1992 for each person earning the average wage of $30,500. This contribution will increase to $42 by 1996, allowing for a combined employer–employee contribution rate of 4.6 per cent in 1991 and that will increase to 9.1 per cent in 2011 compared to 7.6 per cent by 2011 if the current contribution schedule had been maintained.

Mr. Speaker, I point out to you that Canadians right now sense that they are being taxed to death in many different ways. For the government to bring in what it perceives to be a necessary change at this particular time, I do not think is going to be very happily received by the contributors. It may be necessary but there has to be a different mechanism at this point in time.

The lower and middle income families are hard pressed by the number of people who have their hands in their pockets, from the federal level, from the provincial level, from the municipal level, from the sales and excise taxes. All kinds of people have their hands in their pocket. The government has just increased the unemployment insurance payments both for the employer and the employee and now we are looking at the same kind of increases for the pension plan.

I would hope that in committee there will be a close examination of whether or not one needs to improve it or to insure it to this degree or whether there is not something here the general revenues ought to incur.

I am not a professional in this area. I am not an expert in this area. I believe and hope that both the parliamentary secretary and the members of that committee will take this whole question of the sense of the Canadian population, that they would like to have a tax revolt, seriously into consideration as they look at this bill.

My colleague from Winnipeg has spoken eloquently to the precise changes in the bill. On behalf of my own constituents in Mount Royal riding, let me address again some of those major principles.

We are considered by the world a leader in how we treat our citizens with caring and compassion. One has only to look at the social safety net that is in place, hopefully not too tampered with and hopefully not too diminished. That would include medicare, family allowance, Old Age Security, pension plan and all the other social network systems that are in place for the well elderly and the not so well elderly as well as for our children.

These kinds of programs could become bureaucratic nightmares for those who try to have access to those plans. You have heard a number of members in this House, Mr. Speaker, talk particularly about the definition of disability, what are the criteria, how do you get access, the time delay in getting access and how it creates additional stress. I hope that kind of bureaucratic problem will be effectively dealt with as the members of the committee address the issues.

I see the parliamentary secretary shaking her head yes. I am very pleased to note that. Certainly we do not need any increased stress on people who are already in a situation of stress.

With those few comments, I would like to wish the committee well in its undertakings. I hope that the small amount of money will relieve those children who are desperately in need. I am sure it is not enough.

However, there are circumstances beyond which we cannot go and it is a step by step process. I hope that the review procedure will indicate that we are not in such such fiscal disarray as I seem to understand from the parliamentary secretary's initial remarks that the fund is in need of additional financing and that this could have been perhaps re–evaluated earlier in 1986 when the first revisions were brought in where it allowed early retirement.

I understand that the then health minister, the present energy minister, indicated that it was not going to have a serious impact. It has or else there were some miscalculations. It has been said that the fund needs something like $90 billion. Is that the amount of money that the plan seems to be short? If that is the case, I hope it will

be examined. Ensure yourselves that those are really the financial needs. I would really hope that you will reduce the burden on the contributors as much as is possible while ensuring that the fund is stable and at the same time look at what kind of service is offered to those people and what kind of access they have.

I would like to quote something the National Council of Welfare has said. "We believe it is fundamentally wrong that a public pension program set up to cover the entire paid labour force is incapable of producing benefits large enough to keep most of its beneficiaries out of poverty". It is from that perspective that I hope the government will carefully address the issues that have been brought forth as it brings in a bill of this nature and that we will not have a smoke and mirrors piece of legislation, that it is not just a pretty package, but it will have substance and give succour to those who are in need.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to congratulate my colleague from Mount Royal for her splendid debate on the issue, as usual, as on many other issues.

I particularly want to focus my comment on what she said about the dedicated fund. I think she has touched one crucial point of this debate and that is, has this government in fact been a good financial manager over the last many years? Why do I say that?

As I think was said by the parliamentary secretary to the minister of health in opening debate on this bill, we would like to secure the financial soundness of this plan for our seniors. When I opened my debate, I said nobody would argue against the need to secure the financial soundness of this plan for the seniors of our country.

Again, I would just like to note, because my colleague from Mount Royal did indicate the need for a dedicated fund, the need for sound financial management of our plan. A Winnipeg *Free Press* editorial of January 13, 1991, did indicate the point as well in terms of how the finance minister of this government had managed to squander so quickly the premium increase he imposed four years ago.

Not one of the provincial ministers questioned the federal minister on this point. The provincial ministers were happy to agree, as has been announced by this government in opening debate on this bill, and who would not be happy if they dip into the fund at reduced interest rates. Therefore, I think we have to be very careful about the implication of this.

My colleague from Mount Royal indicated the timing of this increase.

• (1650)

Is it the time to do it today? I was glancing at the press release by the government dated October 24, 1991. It says that "in addition to adjusting contribution rates for the next 20 years to reflect new forecasts of expenditures, the bill also extends the schedule by five more years to ensure that there is always a 25-year schedule of rates". Let me proceed to page 2 and the appropriate quotation. It says that "as a result of the first five-year review of the CPP contribution rates by federal and provincial finance ministers, rates will be increased in two stages to ensure that the new rate will be in effect for January 1992".

The first stage of this increase is being implemented by regulation provided under the existing CPP legislation. The second stage of the increase, and I will conclude at this point, an additional increment beginning in 1997 will be implemented once the new legislation, the proposed amendment, has received the required provincial approval.

One wonders why the haste. Why today when in fact this implementation will be in the beginning of 1997.

Mrs. Finestone: Just one word. I guess it is a very happy kind of circumstance when you can get money for much less and not have accountability in terms of having to borrow on the open market. They are borrowing out of Canadian taxpayers' pockets. That is exactly what the member pointed out. They could have waited until a little bit later. I hope you are going to examine that when you get into committee. Thank you very much for raising that point.

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, I am pleased to have the opportunity to speak on this bill because the Canada Pension Plan and Quebec Pension Plan, along with a number of other measures that have been introduced in Canada over a number of decades, contribute to a quality of life and a security in this country that I think we as Canadians believe are impor-

tant in allowing people to live full, productive, fruitful lives from the time they are born until the time they die.

Therefore, it is an honour to be able to speak on this program and on this bill, and as my colleague before me has done, to raise some issues that I hope the members of the committee examining this proposed legislation will look at very carefully.

Without going too much into the positive benefits of the legislation, let me raise some of the issues that I hope will receive some attention in committee.

When we are increasing fees like this, we need to recognize the full impact of the fee increases affect those on modest and lower incomes. There is a limit on the income at which people can contribute to the CPP and benefit from it. The impact of any increase in fees falls disproportionately on those earning very modest incomes. In this case the limit on income under which one can make contributions is approximately $30,000.

There are a number of changes in legislation and contributory plans that fall into the same category which have seen an increased financial impact on very modest income earners over the last number of years. Unemployment insurance fees, for instance, fall most heavily—again, because there is an income limit on the program under which you can contribute—on those earning the most modest incomes.

Such things as student loan fees are a tax on a benefit that one receives only because one happens to be from a very low income household. It is fairly important for the committee to look at the cumulative impact on modest income families of a number of policy changes, not just this latest increase in the fees.

It is also important to point out that the CPP was brought in in recognition that over a period of time there would be an increasingly elderly population, and a larger proportion of our population that was retired, not earning. Therefore it was important to do everything possible through the tax system, with RRSPs and such things as CPP, to encourage people to set aside enough for their retirement years so that there would not be a massive demand for public support because people simply did not have enough income to live on.

We have seen the intent of that whole approach of encouraging people to do as much as possible to provide for their own retirement, whether through government or private programs, being undermined by such things as the clawback of Old Age Security which is going to hit increasingly more modest income seniors' homes as time goes on. I hope the committee will put that into the context in which they are looking at this bill as well and the impact of it.

As well, we know that the situation of small businesses in our country today is not good. We have seen the dramatic rise in the number of bankruptcies and the declining number of jobs and, therefore, the declining number of people contributing through income tax and through programs such as this to the public good in Canada. Businesses go out of business, those jobs being lost forever and therefore the economic base on which we can support such programs into the future are significantly eroded.

Again I think the committee has to look at the impact of this along with increases in unemployment insurances fees and a number of other new expenses such as the cost of administering the GST which falls far more heavily on small businesses than it does on large ones. It should also make sure that in protecting the security of our CPP, we are not creating greater damage out there than the benefits we are achieving, whether it is to modest income earners or to small businesses or to the economy in general.

In that light, I want to pick up on a point that was barely mentioned by my colleague who preceded me and it is the necessity to look at the management of the fund. If this is intended to be a self-financing pension fund then I believe it should be managed as any other good fund. It should not be a plan that uses the contributions received from Canadian workers and employers in a way that subsidizes other activities. In other words, those who contribute, whether as income earners or as employers to the Canada Pension Plan, have a right to be assured that their contributions are gaining the same revenues that any well-managed pension plan would gain in the private market and to know that the revenue on the money in the fund is in fact being used to pay benefits and not being used for other purposes.

I hope the committee will have a very careful look at that because it goes to the heart of what makes the rate increase necessary. How the fund is managed is one aspect of that and how is revenue attributed to it is also aspect of that.

Another aspect of it though is what elements of public policy have led to the need for this increase in funds. While it is matched by a small increase in benefits for instance to surviving children of beneficiaries, the majority of the need for the increase appears to come from the fact that there are and will continue to be fewer contributors while there are and will continue to be more beneficiaries.

Frankly that is something that is happening throughout Canadian society. Canadians are living longer, they are healthier longer and they are more active longer. It is a great tribute to one of the best health care systems in the world of which we should all be proud. Unfortunately it does present us with the problem of how we are going to make sure that people do not live those extra years in poverty but live them in a way that allows them to enjoy them.

• (1700)

However, we also have to look at the other side. Why are contributions not able to meet the obligations? Clearly if you have a higher rate of unemployment, if you have a policy of high unemployment, if you have, as we do now, close to 1.5 million Canadians not working, not earning and therefore both they and their employer not contributing to the Canada Pension Plan, it affects this pension plan and creates directly the need for greater contributions by both employees and employers.

I think we need to look at those other public policies, such as the unemployment policy, that leads to this kind of situation.

We also have to look at the larger number of older workers who are losing their jobs and are not ever again making it back into the labour force. Certainly I and many other members of this House have had some very sad experiences of speaking to constituents who at the ages of 50, 54, 55 are unemployed for the first time in their lives and know that they are never going to be in the labour force again. That is an extremely difficult situation.

As critic for the Public Service I see it in the area of employment that I have to most often deal with and that is the downsizing and lay-offs and contracting out within the Public Service which has reduced the surplus of income to the Public Service Pension Plan over payouts. There is a surplus despite what the National Citizens Coalition might want people to believe that has dropped from about $400 million a year down to $50 million a year. It very clearly is something we need to be concerned about, when public policies such as lay-offs, early retirement, contracting out of work that was formerly performed by wage earners, is starting to undermine the largest pension plan in this country.

There are a couple of other things that I hope the committee will have a look at. I note that what is described as technical provisions of the bill for instance is greater information sharing among a number of social programs: family allowance, OAS, CPP. I certainly hope that the committee will seek the advice of the Privacy Commissioner in terms of the Privacy Act and any concerns that he may have about that, but I also notice that information is going to be made more freely available to others outside government, so I think that is also a concern.

For instance, I notice that information will be able to be released with regard to criminal proceedings. I want to draw to the attention of the committee that there is another area they might want to consider and that is the way in which the federal government does or does not make information available out of these programs to usually women who are not receiving child support payments that they should be receiving. If we are freeing up the release of information and the access to information about beneficiaries of government programs then that is a very serious area that we need to look at.

I can only compliment the government on the improvement in the children's benefits. We have all been made very aware through the National Symposium on Children just a few weeks ago of the terribly difficult situation of children growing up in poverty in our country. Even though this particular provision will touch 170,000 children, and that is a small proportion of those millions of children who are deprived of opportunities, deprived of education and deprived of the same future as the majority of Canadian children by the simple fact of poverty. This is a small but hopefully significant improvement in the lives of some children.

Finally I want to address the status of women and pensions because I think it is something that the current changes before us do not adequately address. In my view it is high time that we looked at the status of people who work but do not necessarily earn wages in our society. The group consists primarily of women who assume child bearing, child rearing responsibilities for a considerable

period of what otherwise would be an income earning period in their lives.

I hope that the committee will question why changes are not being made so that women who stay at home have greater access to a pension. It is still true that two-thirds of the elderly poor in Canada are women and it is largely because they simply do not have the same ability or access to create pension plans for themselves.

Pension splitting has been mentioned by a number of speakers, so I will not go into details on that, but that is certainly something I hope the committee will address.

One other matter I want to mention is that the committee have a look at the administration of CPP. Whatever the legislation says about the benefits, if one cannot access those benefits in a fair and speedy manner, one does not have those benefits. There are certainly problems in the staffing that is provided with respect to CPP and other benefit programs that severely impact on individuals and create great hardship, for example, if a spouse dies and one has to wait two or three months to start receiving a survivor's benefit. My colleague has already read the statistics on the large proportion of recipients of CPP benefits who have incomes below the poverty line in Canada. When one is already living at below the poverty line, one cannot afford to wait two or three months for a reduced pension. One has to have it right away. That is simply a matter of providing efficient and sufficiently staffed offices to process those applications.

Similarly, if a couple on retirement applies for pension splitting and it takes six months as it has in some cases I have dealt with, it takes six months to process that. That sends out a message that the other spouse, usually the wife, really is not entitled to a pension, it is something which is being done as a matter of generosity to her. In fact it means that an entitlement that a couple has to split their income and to maximize the tax benefits from that has been denied to them for six months.

I hope the committee will consider an amendment to the legislation that would make pension splitting retroactive to the date of application, the government is incapable of providing sufficient staffing to process those things quickly.

As I said, I welcome a look at this bill. I welcome the opportunity to address it. I reaffirm some of the points that have been raised earlier by others, for instance, the definition of disability and particularly the need to be more generous in accepting definitions of emotional disability or mental disability in processing applications.

Mr. Speaker, I thank you for the indulgence of the House and I look forward to following the committee's progress on this bill. I hope we will take this opportunity to look at other issues around CPP, the impact of such legislation and the increases in fees at this time in our economy and who it is affecting most.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I listened with a great deal of interest to my colleague who made some extremely enlightened remarks. I would like to point to two issues that she raised and ask if she has any further information. On the first issue, with respect to having done work on the divorce bill as it went through this House, there was great discussion about the problems around the collection of alimony and how to find the missing spouse.

• (1710)

There was to have been a follow-up by the Minister of Justice. There was the example of I believe Manitoba and the use of the Health and Welfare system so that one could locate the missing spouse and ensure that he or she would meet his commitments with respect to child support payments.

When you look at the exchange of information between programs that is going to be allowable between the CPP, the Canada Pension Plan, the Old Age Security and family allowances information, they tell you that the reason they are doing this is so that pensioners would not experience the frustration of changing their address for their Old Age Security cheque and then have their CPP benefit go astray.

Second, pensioners who submitted a marriage certificate for spousal allowance would not have to send it in again to qualify for the CPP survivor benefit. Third, mothers who receive family allowances for young children would have automatic benefit of a CPP child rearing drop-out provision without having to make a special declaration at a later date.

Would it not be fine if they would add another reason? It would be to enable the reduction of the amount of children who live under the poverty line—well over one million children—in this country, most of whom are as a result of broken homes and most of them because the child support system is in arrears and they cannot find the parents.

Certainly they would be able to find the parents under this system, so I would hope there would be an enlarging of that particular aspect. I thank my colleague for bringing that particular aspect to our attention.

She also talked about fair return on your money as a contributor like a taxpayer on your investment dollar. It would seem to me that we are taking money from three pensioners. We are putting it into a fund to be paid to them at a given point in time.

At the same time, that money is lent out to the provinces at a much lower rate. I believe it is around 4 per cent. No one on the government side is standing up to speak to this issue. If they were standing up to speak to the issue, I would ask them the question but as they are not doing so, I will ask my colleague: Do you know of any of the provincial governments that have started a payback to the federal government of the money borrowed since 1966?

Mrs. Catterall: Mr. Speaker, if I may start with the first question: No, I am not familiar with the current status of either how the contributions are used or how the rate of return on them is calculated, but I think it is extremely important that the committee assess whether this increase is truly necessary and whether it is necessary at this time.

The committee has got to look at what the rate of return has been on the money people have been contributing for 20 years to this plan, including the contribution of employers. It has got to look at how those compare with other similar sized, well managed funds. I could suggest one or two that members of the committee might want to look at that have managed to pay indexing for instance for the last 10 years without increasing premiums.

I think that is a very important issue for the committee to probe very deeply. It is fundamental to this bill as to whether we need to increase premiums or not.

On the first issue, my colleague raised support and custody child support payments and how to access those. We have a very serious problem in this country of children going without food, clothing and shelter because one parent, usually the father, has abandoned the family. He can avoid any child support payments by a simple matter of moving from here to Hull, or from northern Ontario to Winnipeg.

The federal government is not doing enough in my view to allow provincial agencies to use federal records to find out where that person is. It comes at two different levels. One, when there is a court order for support, should that person get back an income tax return, or should it really be going to their family?

Second, when there is no income support order, what is the obligation of the federal government, which after all contributes the bulk of the social welfare payments that then have to pick up the obligations that are not being met by one parent? What is the obligation of the federal government to assist in locating that person who is paying income tax, has a social insurance number and in many ways comes in contact with the federal government? Is there an obligation to assist in finding that person so that an order can be made to appear in court and to settle the issue of what support is necessary for the family and should that information be made available? I think this is a good opportunity for the committee to look at how we can ensure that our children are properly supported by parents who can afford to support them, instead of being supported out of the welfare system which dooms them to a life of poverty.

Mr. Rey Pagtakhan (Winnipeg North): I would like to make a brief comment relevant to what has just been discussed. In an item by *The London Free Press* of June 30, 1990, a statement by Mr. Don Gass of the Canadian Institute of Chartered Accountants, indicated that in 1996 the CPP fund was short more than $230 billion. He indicated that by the end of 1988, the shortfall was in the neighbourhood of $300 billion. Obviously, this is very alarming news. I am glad that my colleague for Ottawa West did indicate how crucial it is for the legislative committee to examine and probe the government on its failure of performance.

Mr. J.W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I am pleased to have this opportunity to speak about Bill C-39 and about one especially important element of the bill dealing with children.

This government in its Speech from the Throne last May clearly stated its commitment to children. It indicated to the House that one of its objectives would be to see Canadian children better educated, better protected and better nurtured.

Today it does give me pleasure to speak about the proposal to increase Canada Pension Plan benefits for children as well as other proposed changes to the plan which are of particular benefit to children.

When speaking about children and the effect of Bill C-39, I want to make the point that this is yet another expression of the concern of this government for the state of children in Canada. There is some urgency in the consideration of this bill because the proposed increases in the benefits to children contained in this bill are scheduled to go into effect in January 1992. If this is to happen, not only must we in this House give this bill second reading and get it to committee and get it back for third reading, but it must go to the Senate and then it must go, as I understand it, to every province for an Order in Council ratification before the improved benefits will be payable to families in Canada in January 1992 as is planned.

The major proposal would provide dependent children of deceased or disabled Canada Pension Plan contributors with a significant monthly increase of $35 per child. This represents a 30 per cent increase over the current benefit of $113 per month. This benefit would flow to an estimated 170,000 children in Canada, children of disabled or deceased Canada Pension Plan contributors, if we get this work done, effective January 1, 1992.

The affected children include dependent children under age 18 and those age 18 to 25 who are in full time attendance in school. It is noteworthy that the increase received the unanimous support of the federal and provincial finance ministers at their meeting in January 1991 in concept. As I said earlier, it must be ratified before the end of December 1991 in order for the payments to become effective January of the coming year.

• (1720)

The children's benefit increase was initially put forward in the federal government's 1987 consultation paper on Canada Pension Plan survivor benefit reform. The consultation paper contained a proposal for the over-all reform of the CPP survivor benefit structure in an effort to make survivor benefits more appropriate to the needs of Canadians. While federal and provincial finance ministers agree on the concept of a new survivor benefit structure, a consensus on the design of the benefit structure has not yet been solidified. However, in the interim the finance ministers decided to proceed immediately with the increase for children. Hon. members will also be pleased to note that this increase will not add significantly to the short or the long-term costs of the Canada Pension Plan being less than 1 per cent of the over-all plan expenditures.

The 1987 federal consultation paper was referred to a parliamentary committee which subsequently held public consultations. During this process the children's benefit increase received the support of major interest groups such as the National Action Committee on the Status of Women, the Canadian Labour Congress and the National Association of Women and the Law. The benefit improvements are in line also with the parliamentary committee's recommendations.

This increase responds to both social change and the economic vulnerability of children. Social changes since the 1960s have had a dramatic impact on the family, and in particular on children. These changes include an increase in marital separations and divorce. There has been an increase in single parent families and family situations where the dependant child of a deceased contributor may not live in the same household even as the surviving spouse.

In view of these developments, Mr. Speaker, it is desirable that the Canada Pension Plan do its part to target more assistance to children who are often the truly real dependants.

The proposed increase will also recognize the sometimes difficult circumstances faced by Canada Pension Plan survivors, as well as by severely disabled contributors having dependent children. We know that children in such situations often have lower incomes than children in Canada as a whole. Therefore, the increase will provide a measure of additional support to a particularly

vulnerable group. As such, this increase is an important investment in children, our most cherished resource.

The legislative Bill C–39 also includes a number of minor amendments to the Canada Pension Plan. I would like to briefly discuss two amendments which directly affect children. The Canada Pension Plan provides a disabled contributor's child benefit to the dependant children of a disabled contributor and provides orphans benefits on the death of a contributor. In situations where benefits are payable to dependant children of a disabled contributor, and the contributor should die, it is proposed that the children's benefits would now automatically convert to orphan's benefits without the need for an additional application. The existing need for an application can result in an interruption in payment for children at a particularly difficult time. The proposal would ensure uninterrupted payment and seems a very practical innovation indeed.

The legislative proposals would also provide Canada Pension Plan children's benefits to a child who comes under the care and custody of a Canada Pension Plan contributor after the contributor becomes disabled. Under the existing legislation, only a natural child born after the month of disability and a child legally adopted after that month can receive that benefit. This proposed change would ensure the equal treatment of children under the program. While these are minor amendments, they will ensure that the plan remains sensitive to the needs of children.

This sensitivity is in line with this government's broader efforts to target more assistance to those in need. Since the beginning of its mandate this government has introduced a variety of income–related initiatives which respond to the needs of lower income families with children. For example, the 1987 amendments to the Canada Pension Plan under then Bill C–116 provided for the payment of two children's benefits where the earnings of both parents were lost through death or disability; previously, only one such benefit was payable. The bill also removed the marital status criteria from children's benefits at that time. This ensured that the provisions were in line with the equality provisions of the Canadian Charter of Rights and Freedoms. Major changes have also been made to federal income supplementation programs and federal income tax provisions. The refundable child tax credit has been substantially enhanced during this government's mandate. The maximum benefit increased from $384 per child in 1985 to $585 in 1991.

A new $200 per child supplement to this tax credit was introduced in 1988 for children six years of age and under. To ensure that these benefits are more responsive to the needs of lower income Canadian families a November prepayment of both of these benefits was introduced. The refundable goods and services tax credit replaced a federal sales tax credit and provides enhanced benefits as a result of the GST program.

The child tax exemption, which was of greater value to higher income families, was replaced in 1988 by a new dependant child credit to better target assistance. This credit provides increased benefits for third and subsequent children in a family. Also in 1988 the child care expense deduction for children six years and under and those with special needs was doubled from $2,000 to $4,000 per child and the family ceiling was removed.

This government is also proud to have played a major international role on behalf of Canadian children and on behalf of children from around the world. In September 1990 the Prime Minister co–chaired the World Summit for Children. Following that summit the children's bureau was created within the Department of National Health and Welfare. Its responsibilities cover a broad range of issues affecting all Canadian children. The children's bureau is currently preparing an action plan for children.

I would like to remind hon. members of our responsibilities to those children who are among the most vulnerable groups in our society. The proposed changes in this bill are a further investment in our children. Parliament's strong support for these proposed changes on behalf of the children of disabled or deceased Canada Pension Plan contributors will convey to them as well as to all Canadians the concern and the commitment that I believe we all share.

In order that these increased benefits for children become applicable in January 1992 I urge the members of this House to support Bill C–39 at second reading. They should get it into committee as quickly as possible to get it back to this House for third reading and passage to the Senate and the subsequent process of ratification by Orders in Council from all of the provinces. This will implement these very important increases on behalf of

children in Canada under the Canada Pension Plan program.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I would like to thank the member for Fredericton—York—Sunbury for his presentation. He opened with the statement that this bill is yet another expression of this government's commitment to children because there is the proposed increase in benefits for dependants of deceased or disabled contributors to the plan.

As I indicated in my debate on the bill earlier this morning, no one would argue against giving benefits to children. I have one question. Almost a year ago the Prime Minister participated in the World Summit for Children. Today the member indicated that the children's bureau which was created perhaps around that time is still only preparing a plan of action. It is more than a year later because the summit was about September of last year.

Yet here we are presented with a bill on a tight schedule which must be passed because we will deprive our children of benefits. Is this a sincere effort?

My thoughts on this are shared by one excellent writer, Mr. Leonard Shifrin, *The Toronto Star*, February 4, 1991. He labelled the type of benefits in this plan as a candy coating. True, they are important benefits.

• (1730)

One wonders about the sincerity of this government when we are rushed into passing a bill and when this is related to a statement made when increases to contributions were announced by this government some four years ago that there would be no additional cost to other programs. Now it is asking again for increases. The editorial in the Winnipeg *Free Press* of January 30, 1991 rightly asked the question: "Why should anyone suppose that the government is counting accurately now?"

I would like the member to respond to this challenge from the editorial. Why would Canadians believe that the figures today are correct and that it has been made on a sound basis? If this government is truly for the welfare of our children, particularly the poor, why has it cut transfer payments for education? Why has this government to date not introduced the child care legislation that it promised during the election campaign of 1988?

Mr. Bird: Mr. Speaker, I would first of all like to agree with the general principle expressed by the hon. member that we should always be acting more quickly in initiatives. This is particularly true for children and certainly on behalf of families with children who are in low income situations, who are in distressed circumstances. I am sure the Prime Minister and all members of this government share his impatience for an action plan on behalf of children to emanate from the children's bureau. This is one which I understand has already been drafted and discussed with many provinces and which requires confirmation across this country. It is an expression of just how difficult the political process can be sometimes. On issues where we have complete consensus and agreement we sometimes cannot move as quickly as we would like. I share your view that we should accelerate our efforts through the children's bureau and follow up on the international summit on children as expeditiously and as effectively as we can.

With respect to the member's comments about the changing rates in the Canada Pension Plan, it is my understanding—and I am not an authority on the Canada Pension Plan—that it was intended and designed to be an actuarially responsible plan from the beginning. It was also to be reviewed in five-year increments and would be accompanied by actuarial studies. I understand that the eleventh actuarial study was the precedent for the proposed change in rates.

The plan has matured and the benefits have been paid. I believe Canadians enjoy very significant benefits from the Canada Pension Plan. However, the financial solvency of the plan is always at risk. It was intended from the start that there would never be less than a two-year capability of benefit reserves in the plan.

We are told now that if the present rates are left unchanged that by the year 2011 the reserve will shrink to less than six months. That is unacceptable. There is no other alternative than to change the rates. Any insurance kind of program or pension plan kind of program that is actuarially sound has to do this. That is what we are seeing here.

I think the hon. member knows that. It distresses me a little to see a sort of political tone put to the questioning of what he knows to be an actuarially designed Canada Pension Plan that is not in any way dependent upon government revenues, either federal or provincial, in a

direct and significant way. It was always contemplated that these premiums would change with the needs as the plan became mature. I think to imply otherwise on any political basis is simply not reasonable and not correct.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I am pleased to be able to rise and speak on this issue of pensions for seniors.

I hope that when this bill gets to committee it is examined in detail. I hope the committee really takes a look at the plight of seniors in this country.

Our parents and grandparents worked hard to build Canada. They have contributed much and they deserve to be able to live with dignity and an insured income in their retirement so that they do not have to worry about their financial security in their old age.

Much of the discussion this afternoon has had the tone to it that basically if elderly people in this country are not well off, at least they are getting by. The tone of this bill is one of simply housekeeping amendments to deal with some of the actuarial problems in the fund and to give a minor increase in terms of benefits to dependent children and to maybe tinker with the definitions of disabilities.

I think it is important that we in this House and in committee really take a look at the situation of the elderly in Canada. There is 50.8 per cent of unattached individuals over 65 and 24 per cent of all seniors who live below the poverty line in Canada. That is 50 per cent of unattached seniors and 24 per cent of all seniors who live in poverty.

Older women are twice as likely to be poor than men. Elderly women in this country in large measure live in poverty. The incomes of most Canadians drop dramatically when they reach retirement. Even with the Canada Pension Plan, Old Age Security and the Guaranteed Income Supplement the benefits do not meet their requirements.

The Canada Pension Plan was designed only to replace 25 per cent of pre-retirement income. I do not know who in this House believes that they can live on 25 per cent of their pre-retirement income. Only 37 per cent of employed women and 54 per cent of employed men belong to a private pension plan in this country.

It is unforgivable that in this day and age in a western industrialized society only 37 per cent of employed women and 54 per cent of employed men belong to a private pension plan.

Take a look at what has happened in the last few years in terms of pensions. Workers have seen the values of their pensions cut dramatically by inflation. At the same time investments and pension funds have gone up because of high interest rates. Over and over again private companies have looted their pension funds for their own use. They say that the increase in return because of high interest rates is no longer needed. They do this rather than passing those pension increases on to their previous employees.

Workers do not have the ability to transfer from one pension program to another pension program in this country. They often lose their employer's benefits when they go from one employment to another employment in the private field.

I think we should take a look at the record of this government over the last few years as it relates to seniors and whether seniors are better off now than they were a few years ago.

• (1740)

First of all it brought in the clawback to the old age pension. It is simply saying that seniors do not need any money over $50,000 a year. That is not indexed so it is going to decrease buying power. It is simply saying to seniors: "That is the maximum income you should ever have, $50,000 a year".

There has been an attack on seniors in terms of their ability to look after themselves. The patent legislation on drugs has dramatically increased the cost of prescription drugs to seniors in this country.

An hon. member: Nonsense.

Mr. Karpoff: "Nonsense", you say. Just read the reports that indicate the difference between prescription drugs and generic drugs and the cost of them in this country. PharmaCare programs across this country are faced with the reality that prescription drug costs are going up. Go into any old age pensioner group and ask whether their drug costs have not gone up dramatically in the last few years.

An hon. member: They have dropped.

Mr. Karpoff: They have dropped if they are generic drugs but not if they have been protected under the Patent Act.

The whole free trade deal has opened up this country to an Americanization of our health care system. That is threatening it, particularly when it is coupled with the cutbacks by this government in the transfer payments that will not support health care. Seniors are frightened and justifiably so that health care in this country is under attack mainly because the federal government has reneged on its commitment to a joint partnership in health care and joint funding of health care.

This federal government has washed its hands of housing. It has simply said it is going to turn that responsibility over to the provinces. It has kept a high dollar policy that has hurt our economy.

An hon. member: Where were you in Question Period? There is no high dollar policy.

Mr. Karpoff: There is no high dollar policy, they say. When a government consistently does something to keep the Canadian dollar high we on this side finally come to the conclusion, reluctantly, that it must have a policy. If it does not have a policy then it does not understand the consequences of its decision.

Are you trying to tell me that the government does not understand what it is doing? Its policies and procedures are keeping the Canadian dollar high. Are you trying to tell me that is purely accidental? Come on. Even the Conservatives in their ineptitude in financial management cannot wash their hands and say: "We do not have a policy". Maybe they do not, maybe the Conservatives do not have any economic policy.

Then there is the GST and how it has hurt seniors across this country.

An hon. member: Tell us about the rebate.

Mr. Karpoff: Seniors repeatedly say the rebate has not covered the increased costs of goods and services they have had to pay. They say this openly and clearly. They are going to ensure the government understands that during the next election when they vote it out.

It is not just in the last few years that seniors have not been adequately served in terms of pensions in this country. The Liberals were in power for much of the last 25 years and they failed to develop adequate pension plans to ensure that all seniors could live in income security and dignity. They did not bring in a homemaker's pension for women when they had the opportunity to do so. They did not bring in programs designed to ensure that all seniors lived above the poverty line.

In the early 1980s, with their great six and five program, they cut the indexing of Old Age Security. They taught the Conservatives how to cut back and the Conservatives learned well from the Liberals in the early 1980s.

An hon. member: What did Bob Rae do?

Mr. Karpoff: The Liberals learned and taught the Conservatives how to cut back universally on health care transfer payments and deindex Old Age Security. They then brought in the whole business of the RRSPs. The RRSPs are to make sure that the wealthy do not have to rely on the Canada Pension Plan and that they do not have to rely on such things as private pension plans. It is most beneficial to the wealthy in this country. The Tories come along and they increase the ceiling for the RRSPs up to the contribution of $86,000. Between the two of them, $11.4 billion this year will be lost in tax revenue for people contributing to the RRSPs. The fact is that tax money is the same as if it were taxed and given back in grants.

The whole issue of how we develop a co-ordinated pension program for seniors from all walks of life, not just for the wealthy through RRSPs, not just through employers and employees to the Canada Pension Plan, is something that this House and this government and this country must tackle. In spite of all of the rhetoric here today, we have not done a good job for our seniors. We have not guaranteed that they have an adequate income so that they can look forward to their retirement with a certain degree of dignity and security of income.

I think there are a number of things that we in the New Democratic Party have continued to set out as things that must be done to ensure that our social security programs are adequate for those over 65. We certainly must restore the co-operative funding under the Canada Health Act. We must restore the partnership in which the federal government shares equally with the province in the funding of health care in this country.

We must reverse programs like the clawbacks to Old Age Security. We must look at at least doubling the Canada Pension Plan so that working Canadians will have access to an adequate indexed pension plan.

Mrs. Browes: An increase in the deficit.

Mr. Karpoff: We must make sure that pension plans are available for homemakers.

An hon. member: Do not forget the promise of no tuition fees.

Mr. Karpoff: And homemakers have the right to have their work valued and to have their opportunities preserved to ensure that their old age is a time when they do not have to have financial worries.

We must ensure that there is fairness in our taxation, that we do not have large tax loopholes for the wealthy like through RRSPs in which a person who is earning $86,000 and contributes $1,000 a month gets a tax refund of just under $500 a month compared to the person who is earning only $20,000 and contributes $1,000 and gets only a tax refund of $265. What kind of a taxation system is it that for equal contributions to an RRSP fund the wealthy get twice as much back as the low or middle income earner? Is that a fair taxation system? I think we have to take a look at that as well.

The committee should start looking at all of these kinds of issues around pensions.

• (1750)

This bill has some benefits to it. It certainly goes some way in dealing with some of the issues. I like everyone support the increase in dependent children's benefits. The benefit is to be increased $35, from $113 to $154.54.

I hope that the committee looks at whether the government has negotiated with the provinces to ensure that any increase in the federal Canada Pension Plan benefit is not simply taken away from benefits being paid to the same children under provincial income security programs. This is often what happens. Unless the child is totally independent or has sufficient funds to support himself, he is on some form of provincial benefit.

When the federal government or the Canada Pension Plan increases that benefit then there is a decrease in the provincial benefit.

I think it is good that there is a re-examination of the definition of "disabled". I trust that the committee will take a very long look not only at the definitions but at the procedures for establishing disability.

One of the things that is most frustrating to all MPs is to try to work with people in the riding who are applying for these kinds of pensions and feel that they are being held up from receiving a pension because of a very rigid definition. They do not understand. They do not feel that there is justice in it. They have contributed to the Canada Pension Plan for years. They do not understand the difference between prolonged or significant disabilities, extended or other kinds of definitions of terminology. They simply know that they are unable to work in gainful employment and that the likelihood of them working in gainful employment is not there. They do not understand why they have to get so many medical reports and go through so much process. What they see is simply bureaucratic red tape that is intended to disqualify them.

I think the committee needs to take a look at how we set in not only legal definitions but procedures that have some human face to them and take into consideration the nuances that a person feels when they are disabled.

I have had people saying that their disability pensions are being threatened because they have taken a job as a volunteer in an agency. They are putting in a few hours a week helping at a centre. In order for that centre to give them some recognition, it does two things. It refers to them as being employed rather than a volunteer and it may give them an honorarium to offset their costs of bus fare, clothing or something else. All of sudden someone comes along and says: "But you are working; you are employed by a non-profit agency". Here is an opportunity for a person to improve the quality of life and it is being threatened.

I see the Speaker is indicating that I have one minute left. I guess I do not have time to talk about the issue of the actuarial soundness of the fund because that is another major issue this committee must look at.

The provinces have been receiving money from the fund at a cut rate. That does have some benefits to

provinces, to Canadian taxpayers, but it is at the expense of our seniors. I hope that the committee takes the opportunity to examine whether the benefits to the provinces outweigh the disadvantages to seniors.

Mr. Lee: On a point of order, Mr. Speaker. I thought, since it is approaching six o'clock, I would rise and bring to your attention and that of the Table the existence on the Order Paper of an order framed as a motion for concurrence which will, at 6 p.m. this date become an order of this House, an order requiring the government to revoke a statutory instrument, that being the Agricultural Exhibitions Loans Order.

I rise for the purpose of pointing that out to the Chair, to confirm that that would in fact be taking place and to note that this is the first time this procedure has taken place in this or previous Parliaments.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair will take the matter under advisement and check the rules and customs of the House in this respect.

Mr. John Manley (Ottawa South): Mr. Speaker, during the five or six minutes I have left, I would like to respond first of all to comments by the previous speaker, the hon. member for Surrey North, who, among other things, criticized the Liberal Party because of certain aspects of our former policies.

[*English*]

The previous speaker seemed to take umbrage at the fact that this party when it was in government brought in the CPP but that it was not quite up to the specifications that he thinks are adequate. He forgot to mention the fact that the plan exists because of efforts of a Liberal government in the 1960s, as does the national medicare plan, and proceeded instead to focus his comments on a tax.

I try not to be overly partisan in some of the things that I say here but this one really caught me by surprise, particularly coming from the NDP. As you know, Mr. Speaker, in our province the NDP is now known as the party that never delivers on promises. It is the party that promised free tuition fees and then abandoned that. The promise of public auto insurance was abandoned. Promise after promise has been abandoned by the party that stands up and pontificates on what a good pension plan it would bring in if it ever had the good fortune to be elected as a national government, a thought that sends shivers up my spine.

The member from Surrey North talked about RRSPs being a major cause of unfairness. The party of organized labour came in here to complain about the deductibility of contributions to pension plans, the party of Bob White and the United Auto Workers, whose members have one of the fattest pension plans in Canada, the party of organized labour across Canada, each of whose units goes about trying to negotiate the fattest pension plans possible and whose members all get deductions for every dollar they contribute to their private pension plans, wants to foreclose the possibility of self-employed individuals making their own little nest egg through RRSP contributions. That is the kind of party the NDP is. If somebody can get a good job with security of tenure and a nice pension plan, well they can just roll in it. But if somebody has to go out and create jobs for other people and take risks, well, they better be prepared to live on the CPP when they retire because that is all they are good for. I cannot believe it.

On the CPP itself, I have a couple of concerns that I want to raise on behalf of my constituents. First of all, I do not know how many people in my generation have commented to me that they do not ever expect to collect the Canada Pension Plan. This is a very commonly held notion among people of my generation, that somehow or other this fund is just not going to be worth that much to us when we reach retirement age and that indeed is the reason for the enormous support for Registered Retirement Savings Plans among people who are my contemporaries.

The thought is that we have to provide for ourselves because for some reason this plan is just not going to make it to the end of our days in the form that it now exists. For that reason, I would like to say that I am entirely in support of the principle of re-examining at an early stage the adequacy of funding from an actuarial point of view of the Canada Pension Plan.

It is fundamental to the survival of the social network in our country that each Canadian believes that the system is there not just to support somebody else but that it will support each of us. Every Canadian who is contributing must believe that if he or she becomes

disabled, unemployed or is sick that our social benefits will be there for them to rely upon.

That social contract is fundamental to the continued support of all of our plans. Its soundness from an actuarial point of view is fundamental to us. I believe it is of crucial importance.

The other thing that I would like to mention in the brief moment that remains is my concern notwithstanding that of the increasing—

[*Translation*]

The Acting Speaker (Mr. DeBlois): Unfortunately, it being 6 p.m, I must interrupt the hon. member.

The Chair is now in a position to respond to the request for clarification made a few moments ago by the hon. member for Scarborough—Rouge River. Since it is 6 p.m, the Second Report of the Standing Joint Committee for Scrutiny of Regulations is deemed adopted and will be thus designated in today's Votes and Proceedings.

[*English*]

It being six o'clock p.m., I do now leave the chair until eight o'clock p.m., at which time the House will proceed to the emergency debate on the situation in Yugoslavia.

The House took recess at 6.03 p.m.

AFTER RECESS

The House resumed at 8 p.m.

MOTION TO ADJOURN UNDER S. O. 52

[*English*]

EXTERNAL AFFAIRS

YUGOSLAVIA

The Acting Speaker (Mr. DeBlois): Pursuant to order made earlier this day, the House will now proceed to the consideration of a motion to adjourn the House under the provision of Standing Order 52 for the purpose of discussing a specific and important matter requiring urgent consideration, namely the situation in Yugoslavia.

Mr. Benno Friesen (for the Secretary of State for External Affairs), seconded by the hon. member for Winnipeg South Centre (Mr. Axworthy) and the hon. member for Burnaby (Mr. Robinson), moved:

That this House do now adjourn.

The Acting Speaker (Mr. DeBlois): I want to remind all members that the time for speeches is usually 20 minutes. If a member of any party wants to split the speech time, please indicate at the beginning of your speech that you want to split your time with another member.

Mr. Friesen: Mr. Speaker, as you have indicated, all members of the House of all parties have joined together tonight to debate a subject euphemistically known as the situation in Yugoslavia.

Over the past six months members of this House and the people of Canada have watched with horror as the country of Yugoslavia has torn itself apart. All of us have spoken to constituents whose hearts are torn and broken when they see what was their former homeland being ruined in the devastation of war. Many of them have spoken in telephone conversations with relatives and friends in Yugoslavia whose voices are tightened by fear and apprehension of what is going to happen to them.

Tonight we want to express our concern, our worries, our apprehensions for the people of Yugoslavia and our repugnance for what is going on in that country. The very foundations of this Balkan country, which when created seemed to afford an acceptable political solution for the peoples of the region, are now being shaken. All these peoples have reached the conclusion that Yugoslavia as we know it can no longer continue to exist. A new arrangement between Yugoslav republics must be found. The present situation in Yugoslavia is a tragedy without precedent in recent European history. As you know, thousands of lives have been sacrificed and hundreds of thousands of innocent people have been forced to flee from their homes because of the fighting.

• (2010)

It is also the most significant challenge to European security and stability since the democratic upheavals recently experienced in all the countries of eastern Europe. I will try to explain the situation as the Canadian government sees it. To begin with, the current situation in the Yugoslav republics is highly complex and there is

no one explanation for the conflict between Serbs and Croats. This conflict is not purely ethnic or purely ideological or religious or economic in nature. These factors are all involved, but what we are seeing is the bitter fruit of deep rooted visceral recriminations and fears that date back for decades. It is also and above all a sign of the flagrant lack of trust between these ethnic groups. In the Yugoslav conflict, accusations of genocide are tossed back and forth with disconcerting facility.

It is true that the elections held during 1990 in all the Yugoslav republics brought results in certain republics that stood in stark contrast to those of others. Thus Serbs and Montenegrins elected socialist parties of clearly communist origins. By contrast, the Slovenes, Croats, Macedonians, and the nations of Bosnia-Herzegovina rejected communism. All these governments, elected in many cases on highly nationalistic platforms, immediately began to transform the relationships that had governed them until that time. It was then that fundamental and so far irreconcilable differences began to appear between the Yugoslav republics.

The Slovenes feel that their situation is relatively simple. They account for 90 per cent of the population of Slovenia and the vast majority voted by referendum to form an independent republic. In Croatia, where 75 per cent of the people are Croatians, a referendum also showed that the majority desired independence. However, the Serbs in Croatia who make up 12 per cent of the republic's population are one of the Gordian knots in the present crisis. Many of them have taken up arms to express their strong opposition to the Croatian plans for independence and even to claim their own independence from Croatia. Ethnic Serbian regional governments have even formed within Croatia. Their goal is to maintain these territories in a renewed Yugoslavia, where all who wish to may continue as a part of the country, despite the forceful redefinition of boundaries that this would entail.

This is what Serbia and its allied Montenegro are also advocating. The republic of Macedonia, in the country's far south, shares the Croatian desire for independence from the Serbs. Meanwhile, in a recent referendum, the Macedonians voted in favour of a sort of association where a certain number of the ties, mainly economic in nature, would be retained with the other republics.

Finally, there is Bosnia-Herzegovina, a microcosm of Yugoslavia, containing an amalgam of peoples including Muslims numbering 44 per cent, Serbs numbering 31 per cent and Croats 17 per cent. Complicating all this is the additional claim to a form of autonomy being made by the Serbs of Bosnia, and the Albanians and Muslins of Serbia.

A mere glance at the map of Yugoslavia shows that to divide up the country according to aspirations of these groups would be virtually impossible. Thus we see that we have before us a situation infinitely more complex than some of the protagonists would have us believe in their efforts to gain support. We have a very delicate interplay of peoples all in varying degrees claiming the right to self-determination. We also have before us ethnic groups which, right or wrong, fear greatly for their physical and cultural survival.

How can the rights and the safety of the minorities be guaranteed and the legitimate aspirations of the majority peoples be respected at the same time? In our system we would accomplish this by dialogue and comprise. In Yugoslavia the opposite is true. We find deep distrust on all sides, for example between Croatian and federal armed forces, which makes it tremendously difficult for either side to take the first step. The well-known story of the 12 or 13 cease-fire agreements bears sad witness to this.

The international community and especially the European countries are faced with a tremendous challenge. On the one hand are the legitimate aspirations of various national groups which wish to rebuild relations with their neighbours on new foundations and to participate in the construction of a new Europe. On the other hand is the gratuitous use of violence by the Yugoslav federal army, which is out of the control of the government and which has its own political agenda, and by numerous armed groups in Croatia, Serbia and elsewhere which are using force as a political argument. All this is taking place in Europe, which we felt was finally safe from the threat of military confrontation when the cold war ended.

The international community is not looking on passively as the savage war in Yugoslavia rages. In spite of

what is being said by the protagonists who see the only acceptable solution as their own, the European community, supported by the 38 countries of the Conference on Security and Co-operation in Europe, has made available to the parties a series of peace making and negotiating tools.

From the very outset of the crisis the European community, in particular the Netherlands presidency, has taken concrete steps to create conditions for a cease-fire. A diplomatic offensive unprecedented in Europe has been mounted by the Netherlands Minister Van den Broek and his colleagues in an effort to stop the fighting. They have developed compromise solutions which have had some positive results. The violence has quelled in Slovenia and the federal forces have withdrawn from the republic. They have also managed to assemble the Yugoslav parties around the same table to discuss a comprehensive solution to the crisis.

None of this would have been possible without the support of the Conference on Security and Co-operation in Europe. This forum, which aside from Yugoslavia itself includes all the European countries, Canada and the United States, has stood surety for the efforts of the European Community. It was the CSCE that gave the European Community the mandate to send a mission of 200 observers first to Slovenia, then to Croatia, and now to other areas at risk.

As soon as the mission was announced,Canada expressed its interest in participating. With Poland, Czechoslovakia and Sweden, Canada gave a broader stature to this mission co-ordinated by the European presidency. Often under threat and in dangerous straits our observers have borne witness to the repeated violations of the various cease-fire agreements by both sides. They have also provided their assistance to avert violence in localized confrontations. Finally they have contributed to a number of operations to provide humanitarian assistance to those who are suffering in the conflict.

• (2020)

We should all take pride that Canadians have been able once again to play a peacemaking role in foreign conflicts. I know that my colleagues in the House would applaud that effort on the part of the Canadian peacekeepers. But our country is not limited to acting through multilateral organizations alone. Even though we are far away our government has seen the civil war in Yugoslavia as an issue of great importance to its foreign policy.

Our colleague, the Secretary of State for External Affairs, has taken a personal interest in this matter. She has made use of her numerous meetings with her European counterparts to exchange views on the situation and to see what specific contribution Canada could make. She has attended a series of international conferences with the Prime Minister. The most recent of these was the NATO summit meeting in Rome. It reaffirmed the need to achieve a peaceful solution to the crisis in Yugoslavia.

On November 8, 1991 Canada joined the European Community in imposing economic sanctions on Yugoslavia. This action has been followed by similar measures by the United States, Japan, Australia and other countries.

The Government of Canada decided to impose sanctions on all Yugoslav republics to show unequivocally our wish to see all parties cease hostilities and participate fully in the negotiation process. Canada supports the principle of negotiation contained in the proposal tabled by the European Community at the peace conference in Yugoslavia. We believe that sanctions, as difficult as they may be, constitute the best means at our disposal at this time to end this senseless war.

We cannot say it often and firmly enough. Canada is opposed to modifying boundaries by force and to imposing a *fait accompli*. If these are the Yugoslav army's objectives in Croatia it had better think again. Canada shares its position with all the countries of the European Community, NATO, CSCE and the United Nations Security Council. We also strongly oppose the attempts of the Yugoslav army and ultra-nationalist militia to seek to modify the ethnic make-up of certain regions by force, thus causing the exodus of tens of thousands of people.

Several forced evacuations of civilian populations, particularly women and children, have already occurred in various regions of Croatia. The Yugoslav army's determination to control Dubrovnik can only be understood in this light.

Some of our colleagues in this House have suggested that Canada grant diplomatic recognition to the unilateral declarations of independence of Croatia and Slovenia. They may do that again tonight. In so doing they have echoed the demands of the members of Canada's Croatian community who see this recognition as a way of countering Serbian claims against Croatia. This responds to the express wish of a majority of Croats. They

maintain that diplomatic recognition would end this violence. A number of us have received a fax today from the Croatian Information Centre again requesting this.

Canada's position on this is clear. We must always support the move of other members of the international community to have a co–ordinated peace offensive. By recognizing the independence of Slovenia and Croatia now we would ring the deathknell of the negotiation process.

That is why Canada, the European Community, Japan and others have imposed sanctions to allow the negotiations to continue. If these negotiations are a total failure, violence and force would be the only means left to settle this crisis.

I am sure that no one in this House or anywhere else in Canada wants this to happen. We feel that it is necessary to ensure that genuine negotiations are held to determine the future of all the constituent parts of Yugoslavia and to ensure that this takes place with full respect for the rights of all concerned. That is exactly what we are prepared to do by imposing sanctions. This will convince all parties to end the violence and to return to the negotiating table.

Canada has also been active in the United Nations where the Prime Minister initiated the debate on Yugoslavia. Canada played a key role in informing the Security Council about the crisis in Yugoslavia. This led to resolution 713 and a greater role for the Secretary–General. This has proven especially important in the last few days. The Prime Minister and the Secretary of State for External Affairs have stated repeatedly that Canada was prepared to contribute to an international peacekeeping force in Yugoslavia. If the conditions can be established for sending such a force, Canada is prepared to play an even greater role in the peaceful resolution of this conflict.

Canada did not wait for the United Nations to debate the issue before imposing an embargo on the sale of arms to Yugoslavia. Since the start of the crisis the Secretary of State for External Affairs has refused to issue licences to export arms or other military goods to Yugoslavia.

I do not wish to overlook the sustained efforts made by our employees in our posts abroad. They are in Belgrade and Zagreb and since the beginning of this crisis they have ensured the security of Canadians living in or visiting Yugoslavia. Two letters have been written to all Canadians in Croatia who are registered with our embassy recommending that they leave the combat area. Recent contacts with these people nevertheless indicated that most of them had chosen to remain in Croatia. Croat and Slovenian citizens who intend to stay in Canada and who would have difficulty getting to Belgrade can obtain visas for Canada from other Canadian diplomatic missions in the region.

As I said at the beginning of my speech, the crisis in Yugoslavia constitutes a challenge to the security of Europe. It also constitutes a challenge to the international community as a whole in its efforts to assist small groups of nations unable to agree among themselves on the form of their future relations.

Canada is in the forefront of those nations wishing to assist Serbs, Croats, Slovenians and other Yugoslavs in overcoming this crisis. Our country will do all it can in co–operation with our friends and allies to help these peoples to restored peace and harmony.

Mr. Horner: Mr. Speaker, I would ask for unanimous consent of the House to ask a short question of the parliamentary secretary.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the hon. member?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): There is no unanimous consent.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, may I say also to the member of Parliament for Mississauga West that we hope during the course of debate we will have the opportunity to hear about his concerns. We know he does have a substantial number of Croatian Canadians in his riding and we certainly will welcome his involvement in the debate.

In that spirit let me begin by saying that many Canadians have waited a long time for this Parliament to address this issue. As each day goes by we have seen more suffering, tragedy, destruction, death and more conflict. The level of deep apprehension, concern and anguish, sometimes directly for those who have loved

ones or family in that besieged part of the world, has reached a pitch of not knowing what to do. There is frustration in not finding in this forum an opportunity to have it expressed.

• (2030)

I would just say in parenthesis that it may demonstrate, as we look at the role of Parliament, that we must find a much better way of making this institution flexible enough and responsible enough that it can deal with these recurring international crises with a great deal more sensitivity and certainly a great deal more speed.

I do not want to give a speech tonight on parliamentary procedure, but rather I want to talk about what is happening in Yugoslavia and what should be done to end the killing as soon as possible.

I must say that I waited with some anticipation for the comments of the parliamentary secretary to see what initiatives the government may be announcing tonight to provide further involvement, further engagement, further intervention, and unfortunately and sadly there was nothing more to say.

The reason I remind the House of this is that it was just about a year ago today that this Parliament was seized with the issue of what was happening in the gulf area. I could tell then there was no hesitation. There was no too little too late. There were no modest, prudent, cautionary words.

The Prime Minister and the Secretary of State for External Affairs were standing on the barricades ready to do anything possible. The entire western world was being mobilized. The largest army of the last 40 years was being readied to be launched. Thousands of ships were in the gulf ready to impose a sanctions program. It was all done because we were going to have, to quote the United States President, a new world order where aggression, conflict and the use of arms would not be the arbiter of human affairs and we would find a way to resolve these problems before they resulted in senseless killing of civilians.

We have retreated a long way from the brave new world or the new world order of a year ago to where we are today on Yugoslavia. One of the real tragedies, aside from the loss of life and the destruction of property and the breakdown of civil order in what is left of Yugoslavia, is the disillusionment of the world that increasingly sees double standards being applied as to whom and where and when and how the international community will respond.

If the parliamentary secretary really thinks in his heart that what has happened up to now on behalf of the European Community or the United Nations is enough, then I would ask him to go back and read the speeches of his Prime Minister and others who talked about the need finally for the world to say that we will not let force become the big stick that beats people back, that the international community will find a different way, and that sovereignty of nations imposes duties as well as rights. The primary duty of any nation is to protect the lives of its citizens and when it begins to abuse that right and not fulfil that duty then the international community has a right to intervene.

I would say that one of the better speeches of the Prime Minister was the one he gave at Stanford University a couple of months ago in which that same principle was put forward, except now when we look at the practice, now when we look at what is happening, where is it? It may be that Yugoslavia is not sitting on a pool of oil. It may be that Yugoslavia does not fit in to the strategic design of the great powers. It may be for all kinds of other reasons when we get down to the fundamentals, the issue is still there.

Tonight in towns and villages in Croatia there is fighting going on and people are being killed and the international community has gone fishing. There has been action. There have been calls for conferences and eight, nine, ten, twelve cease-fires—broken immediately—but what has been missing has been resolve, political will, a real full scale, full court press by the President of the United States, the Prime Minister of Great Britain, the Prime Minister of Canada and other European nations to show they really mean business.

The parliamentary secretary referred to the United Nations action of an arms embargo. I would refer him to the article written by Olivia Ward, the correspondent from the United Nations, saying that arms were flown to Yugoslavia several weeks after the embargo had been imposed, including from many of the countries which were sitting on the Security Council. She goes on to say in the article that to make the embargo really work the council would have to set up a sanctions committee as we did in Iraq to deal with violations and to expose those who are still sending arms into that area. The author concludes that so far the council's five permanent

members have shown little interest in such far-reaching measures.

I would add a further paragraph saying: And neither has Canada shown much interest in ensuring that those sanctions were being fully imposed. I have not seen the secretary of state or the Prime Minister or our ambassador to the UN saying: "Hey, Security Council, your laws are being fought and your resolution has got holes in it. Do something about it because you are aiding to the killing". There is not a word.

Does the parliamentary secretary think that is a bold, new initiative to deal with the problem of conflict?

An hon. member: The surrogate voice of the U.S. is silent.

Mr. Axworthy (Winnipeg South Centre): It is a tragedy.

What we really see tonight if we measure the evolution of world affairs dealing with this problem from where we were a year ago to where we are now, where we for whatever reason mobilized these efforts, is not nearly the same kind of application today on questions of sanctions. The United Nations since the call of two weeks ago at NATO—

Mr. Blenkarn: What other country took it to the UN?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I hear the voice of the member for Mississauga who has as much understanding about international affairs as he has about Canadian domestic finance, which means that you could count it on the head of a pin.

An hon. member: Oh, oh.

Mr. Axworthy (Winnipeg South Centre): If the cow is going to continue to bellow, we are going to have to put a bell on it.

The fact of the matter is that on this crucial issue where we know that we once again talked about sanctions, finally the European Community admitted that it was failure, that it could not do it and referred it to the United Nations. I say to hon. members: Where has it been? Have you seen another resolution from the United Nations asking for an oil embargo that might really have enough impact to bring the parties to the table and which would really send a tough message that we want negotiations? Silence.

On several occasions when we have asked in this House the representatives of the government—and I want the member for Mississauga to take the plug out of his mouth and out of his ears and listen—the Secretary of State for External Affairs refused to answer. This government did not go on record as supporting an oil embargo against those nations.

Is that a defence of the new international order? Is that a defence of the rule of law? Is that a defence against the unacceptable use of force to influence world affairs? I am surprised at the silence.

Mr. Blenkarn: Where were you in the gulf?

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, it is too bad that the members of the Conservative Party were not more vociferous on behalf of the suffering of Croatia as they are concerned about defending their own paltry and poor record.

Mr. Blenkarn: We know where you were.

Mr. Axworthy (Winnipeg South Centre): I will welcome you. I will sit here with great anticipation to hear the member for Mississauga get to his feet and come forward with proposals for an oil embargo and come against the fact that his government will not do the kinds of things it should be doing. We will wait to see him make his statement as to what he thinks should be done because we know the things that his government is not doing at the present time.

The hard reality is that it is not just a question of the human suffering because there is a fundamental stake for all Canadians, even if they do not turn on their TV sets, even if they are not wrenched by the kind of catastrophe going on. They must recognize that there is a fundamental issue of world security at stake because this is the test case in eastern Europe where there are all kinds of instabilities, where there are all kinds of groups sort of looking to find a greater sense of freedom, a great sense of self-determination, and where they are looking to see what kind of security framework will be put in place to allow those discussions and those ambitions to take place under peaceful conditions.

I recall quite vividly being at the CSCE conference in Moscow in September when the delegations from eastern Europe, Czechoslovakians, Hungarians, Russians, Poles and others came forward with proposals about how the CSCE itself could strengthen its mechanisms for involvement in cases like Yugoslavia.

• (2040)

That international organization that was being held up by the former secretary of state last year as being the bright new hope for world order was finally having to come to grips with a real tough issue.

The newly developing democracies of eastern Europe themselves were coming forward with proposals to toughen up those mechanisms. As a result, guess who was dragging their feet? Guess who was saying no? We expected some of the big powers to say no. They were giving all kinds of excuses about why it was impossible. But why Canada? Why did we back away? Why did we retreat?

I want to quote a comment by the present Secretary of State for External Affairs who spoke about this. I will not bother you with the entire paragraph but she said: "The Moscow meeting was not the right time or context to take such decisions. We will deal with it in October, from October 22 to 24". That was a month ago. Where is the Canadian voice of the CSCE talking about the need for tougher mechanisms and the need for a new security structure for all the kinds of incredible challenges and tests that will emerge in that part of the world?

Once again there is silence. Once again it meant finding refuge on the sidelines. Here were the newly developing democracies reaching out for leadership, for the kind of direction that an experienced country and middle power of great diplomatic reputation like Canada can give, and what was the answer of our secretary of state? It was neither the time nor the place, "I was busy", or whatever it may be. It is sad. It is very sad. What a missed opportunity.

Canadians today are searching for what it means to be a Canadian and to have our own sense of identity. One thing that has given real *raison d'être* for this country since the inception of the United Nations is the idea that when it comes to international affairs we could provide a middle way. We we were not afraid to take real leadership. We could reach out and be innovative in trying to enhance and strengthen the world order through the rule of law and through new international institutions until now.

When we are called, we will not respond. We are silent. As a result the chaos continues. There is a need to begin putting into place a new security arrangement that will be absolutely essential if we are not going to have a combustion in eastern Europe as it goes through the throes of freeing itself from a former imperialist system and now finds itself in a new era. We should be very clear. There is nothing sacred about the *status quo*.

We must let evolution take place through democratic elections. We must let self-determination take place through peaceful means, through protection of minorities. That will require a very effective, international, multilateral framework, and this is the time to start building that. This is the time to show that we really mean business. It is time for a new ethic of intervention, one that will move us beyond where we are now.

The failure in not doing so will have repercussions for years and years to come. We would like to hear very clearly the voices in this Parliament tonight speak out to give some new resolve to the government, to give some new will and determination, to start putting on pressure at the United Nations for a meeting to begin with for the imposition of oil sanctions.

Second, the voices should start saying that the international community has to get tough. If some of those great powers do not want to go on then let them say so. Let it at least be visible as to who is standing in the way of some resolution of this conflict. Let us make the arms embargo a meaningful one. Let us start arguing for closing the loopholes and putting a sanctions committee in place. Let us take the initiative. Let us show some leadership. Let us go to the CSCE the same way and ask for an emergency meeting, which is clearly our right under the by-laws. Let us get the foreign ministers together, sitting down and saying: "It has gone far enough. It is too much". If the CSCE is going to have any meaning in the future, if it is going to have any relevance to the problems of Europe, it must act now. It means looking at new mechanisms. Let us not follow the advice of our secretary of state when she says: "Another time, another place". The problem is right now.

As Canadians we must also grasp hold of the responsibility to deal with the deep humanitarian suffering that is going on in that area. There have been $1.5 million in valuable contributions to the Red Cross, but does that really ease the suffering of the 60,000 or 70,000 people who are trapped tonight in Dubrovnik without water, without electricity, without sewer treatment, without food because they are blockaded? Do you think that is going to help them?

Going back to the fundamental principle that was in the United Nations covenants, is probably in the covenant on genocide, and is certainly in the CSCE covenants, it is certainly part and parcel of the new ethic of intervention, we cannot allow a government to deliberately starve and maltreat its citizens. If that means that the blockade in Dubrovnik must come to an end and there must be ships of the international community there to do it, then so be it.

It is interesting how things get lost. Two weeks ago there was talk at the NATO summit meeting in Rome that maybe NATO, which does have a standby force, which has the mechanisms, which has the military committee, which has more generals than you can count, which has incredible planning going on, was going to be asked to deal with the problem of the blockade of Dubrovnik.

The shield comes up, the wall and the curtain descend and no more is heard about that proposal because there is a fundamental lack of political will. All the sweet words and brave descriptions we heard tonight from the parliamentary secretary do not cover the fundamental fact that chaos is erupting inside Yugoslavia and if it is not stopped and solved by peaceful means then it will lead to chaos in other places at other times.

We have a responsibility as a privileged, protected nation, one that has the respect of many other nations of the world to be more than simply an echo, to be simply more than a "me too", to be simply more than saying we will do only what is necessary, not what really will count.

I say to members of this House tonight that there is only one way that will happen. Every one in this House tonight has to get on his or her feet and speak with a commitment and a dedication, to say this is a time of testing, this is a time for this Parliament to be heard, this is a time for Parliament to lead the government and show Canadians and the world that we will not stand by and watch the world being engulfed in this kind of chaos, that we will do everything within our power and our influence to show that we can solve these problems by peaceful means.

Mr. Friesen: Mr. Speaker, just to correct the record. The minister called for the very things this member called for several weeks ago. He is a little bit behind the times.

An hon. member: You had better believe it.

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I will be dividing my time with my colleague from Victoria. I know there are many other members of this House who want to speak in this debate but will not have the opportunity to do so. I particularly want to single out colleagues such as the member for Thunder Bay—Atikokan and other members who have spoken out publicly and with eloquence and have expressed their deep concern, their sense of anger and reflected a sense of betrayal that too many of their constituents have felt at the silence and the lack of response of their government at a time that they were looking to their government for leadership.

This is an opportunity for this Parliament to tell our government, to tell our minister, that the silence must end. Canada must at last play a role of leadership, not only within the United Nations but as well, as the previous member pointed out, within the CSCE which has established mechanisms to respond to a crisis, to a human tragedy, a political tragedy, a tragedy of a country that has ceased to exist.

• (2050)

Surely as a Parliament that must be the basis of our understanding, that Yugoslavia no longer exists as a nation. We must recognize that the people of the republics of Yugoslavia, whether it be in Slovenia and Croatia which voted overwhelmingly, 94 per cent, for independence in a referendum, whether it be the people of Macedonia who voted in a referendum in September for independence, whether it be the elected representatives in Bosnia and Herzegovina who in the middle of October proclaimed the sovereignty of that republic, that Yugoslavia is no more.

Surely the most fundamental obligation we have as elected representatives is to speak the truth and from that truth to draw the conclusions that surely must follow. What are those conclusions and what should Canada be doing at this time that we are being tested as a nation? What has this new world order meant for the people of Dubrovnik, what has it meant for the people of Vukovar, what has it meant for those who are hungry in Zagreb, what has it meant for the children who are among the 350,000 refugees fleeing from the madness of this war, what has it meant for the eight year old boy in Vukovar who talks about the people in the refugee centre who cannot understand how today people are trying to resolve this conflict through violence?

What in fact should the response be? If we accept the fundamental principle set out in the CSCE documents of self-determination, surely we should recognize that the people of Slovenia, the people of Croatia have spoken loudly and eloquently for independence, for freedom and for democracy.

At the same time the European community has recognized, and indeed the leaders of Croatia in particular have recognized, the importance of respect for the rights of minorities. In fact, President Tudjman of the Government of Croatia has expressed himself very clearly as being prepared to grant to all people who reside in Croatia every internationally respected right for minorities, to do so under international monitoring and to recognize also that it may be that there is an important need for arrangements under international supervision with human rights guarantees, to respect the rights of minorities. We know that the historical fears do run deep, that the 600,000 Serbs in Croatia, looking back on history have those fears.

At the same time, we must not be mired in the death and tragedy of the past. We know that the Albanian majority in Kosovo has been brutally repressed for too long. Our obligation as parliamentarians is to recognize that we must in the absence of leadership from this government provide leadership on behalf of the people that we have the honour to represent.

What does that mean? It means for example that there must be a role for the United Nations, for peacekeeping forces from the United Nations, but not, as has been suggested by the President of Serbia, in a *de facto* greater Serbia. Troops that are set up within the territory of Serbia would in fact achieve the objective that has been set out by Serbia, to carve out chunks of territory. The United Nations must not be a part of that scheme.

The international community and Canada must state very clearly to the Yugoslavian army in no uncertain terms that they will not yield one inch of territory to violence, brutality and bloodshed. The Yugoslavian army must be called upon to withdraw beyond the boundaries of Croatia, to stop the violence, the death, the injury, the destruction, the creation of hundreds of thousands of refugees. We have heard the desperate appeal from the mayor of Dubrovnik, Pero Poljanic, who says: "We are desperate, dear friends, we need you. At times we think we are crying in the desert." This historical jewel is being utterly devastated by shelling.

We must understand and we must accept that it is not a question of when Croatia will be independent; it is a question of how much blood will be shed before that independence has been recognized. I say on behalf of my colleagues that too much blood has been shed and Canada has been silent for too long.

Some say that Serbs and Croatians cannot live in peace. The reality is that until this conflict they have done precisely that. Families have intermarried. There has been that relationship of trust. Yes, it has been devastated, it has been torn, but that can happen.

Ultimately Canada must lead in the call for an unconditional withdrawal of troops, to urge that there be United Nations peacekeepers, not within the territory of Croatia, but in fact on the border between Croatia and Serbia. We must lead in the call for an end to the brutality that led to the woman from Croatia who came to my office and brought in a piece of shrapnel from her front yard. She was able to escape from that scene of terror. I hope that Canada will be very generous in granting visitor's visas to those who are trying to escape from that terror as well.

We must impose tough economic sanctions. We should have done it a long time ago. My colleague from Victoria on October 8 spoke on behalf of this party, urging those sanctions, urging an oil embargo. What have we done? Finally, a month later, economic sanctions. But what about the oil embargo? No action there at all.

Finally, humanitarian assistance is desperately needed at this time of crisis. This is being called for by the Croatian community, but also by the Serbian community which, on the eve of Remembrance Day in church services in Vancouver prayed for peace but also prayed to raise money to buy and send the necessary medicine, food and clothing. I want to pay tribute in particular to the Croatian community in my own area of Vancouver which has, in fact, sent that humanitarian relief. But it is up to our government to show true leadership and provide additional humanitarian relief.

Finally I want to pay tribute to the young people who have shown their concern for their relatives and families, for their loved ones, who have petitioned this Parliament, who have joined in echoing the words of the President of Croatia who said "We will not succumb to military force or economic blackmail. Our liberty is our life".

Mr. Speaker, let that call be heard in this Parliament and throughout this land today.

Mr. John Brewin (Victoria): Mr. Speaker, I wish to thank my colleague from Burnaby—Kingsway for yielding part of his time. As our critic for external affairs, he certainly could have added even more to the debate than he has. But in order that as many members from our party as possible can participate in this discussion, we have decided to split our time.

This is a solemn debate. It is not a debate for partisan division. It is a debate in which all members of this House must come together to speak with one voice. The tragedy in Croatia must immediately come to an end and the Government of Canada must speak for all Canadians in saying that this tragedy must come to an end now. But in order for us to do so effectively, we must not shrink from placing responsibility for the tragedy where it belongs. As the Prime Minister said in this House on October 8: "The army, operating under the name of Yugoslavia, has run amok. It is absolutely out of control".

• (2100)

In a report by the Secretary-General of the United Nations to the Security Council, the Secretary-General concluded, on the basis of his investigations, and I quote from page 12 on a report from Cyrus Vance to the Secretary-General:

> Despite the occasional participation of the full eight-member socialist Federal Republic of Yugoslavia and presidency at the Hague Conference, the *de facto* authority of the central government in Yugoslavia has been seriously impaired since the development of the 3rd of October, as well as by the situation on the ground. A critical result is that the JNA no longer has political direction from a civilian authority that enjoys the support of all the republics and all the communities of the federation.

Mr. Speaker, when you called this debate, you said it was about the situation in Yugoslavia. Yugoslavia no longer effectively exists, and certainly, in the words of the Secretary-General, "no longer has political direction of the army that is out of control in Croatia". That is the place where this Parliament's understanding and this Parliament's statement must begin.

The people of the world are horrified at what is happening. But we are also horrified at the apparent inability of the international community to act.

As other members have already said, it stands in stark contrast, in bitter contrast, to the actions of a year ago when faced with the situation in the gulf.

I come, as all members have, from a week in our ridings. I come from a meeting on Friday night in Victoria where people of the Croatian community came together. They, along with all people in this country, simply cannot understand how it is that this tragedy is allowed to happen and the world community cannot act to stop it. We have had resolutions and speeches, we have had half-hearted sanctions and we have had failure—and all members of this House must speak to the point—of the international community to act.

Over a month ago, the Secretary General of NATO came to visit Ottawa. In the course of conversations he said, and he put it personally: "I have the divisions necessary to go into Yugoslavia and stop the fighting". He said that NATO would not do so because it might get caught in a quagmire.

If that is the reason for the international community not to be acting, it is an international crime. We do not advocate that NATO go in. Just as NATO should not have gone into the gulf, NATO should not be operating outside its borders, as it is in fact for that reason politically obsolete. But the Security Council of the United Nations can call on the member states, as it did in the gulf, to provide the necessary peacekeeping forces to

go in and stop the devastation in Croatia. This House must make that statement now.

It is a matter of international law that the rights of the people of Croatia cannot be violated by force as they are now being violated by force, that the priceless international heritage of that community cannot be taken away. The time has come for the international community to move, through the Security Council, to intervene under the flag of the United Nations to stop the fighting in Yugoslavia.

The word tonight from Yugoslavia is that there is at least some calm in Dubrovnik. If that lasts, that may be something to be built upon. However, that is not going to be enough because last June the people of Croatia voted 94 per cent for independence. It ought to be the policy of this House that the voice of that 94 per cent of the people of Croatia must be given an opportunity to be heard. If the people of Croatia want independence, as other countries have achieved independence, as our colleagues to the south in the United States of America once had a revolution for independence, as we now celebrate the spring of hope throughout all of eastern Europe, as other countries are achieving their independence, so too must the people of Croatia have the right to independence.

The first step is peace and the second step is that the international community must afford the people of Croatia the opportunity to determine whether they wish to have an independent country.

All of us prefer to have some level of cohesion in that area but it must be clear that the people have the right to determine their future in a new Europe. We in the international community must be ready to give them that right.

Finally, let me say that there is the issue of humanitarian aid that must be dealt with and dealt with more effectively than it has been to date from all accounts. The government first put up $250,000 on behalf of Canada. Then it contributed more to bring the aid, as I understand it, to about $1 million. However, there are reports that aid is not getting through. It is said to be routed through the International Red Cross and there are substantial reports that it is not getting through. That aid should be routed through Slovenia to be sure that it gets in to the people of Croatia who need it.

Let me conclude my remarks by offering to the House the experience to which I referred earlier. The Croatian community in Victoria was speaking with a clear voice, and I think we have all had various experiences of this in the last week. About 200 people from the Croatian community, including those from the Hungarian community, came to speak in solidarity with the people of Croatia.

The sense of frustration and hopelessness as the reports continued to pour out of Croatia was palpable. However, we must now take the glimmer of hope that there may be today and try to work with it and build on it and show leadership in Canada, to see that this tragedy is brought quickly to an end and that those in Croatia who want a free, independent Croatia have the opportunity to have it.

When the meeting was over, Mrs. Maria Micic gave me a letter from her sister who has spent much of the last period of time below ground, suffering bombardment. She asked me to deliver this letter to the Prime Minister, which I will do on his return from Paris. It is a letter which is poignant and feeling. It speaks of the experience that has been inflicted on so many in this century, the hundreds of thousands of people who have been the victims of civil war and of war between nations.

We are once again called upon, as a Parliament, to speak out for peace. I would ask all of my colleagues to join in that plea tonight.

[*Translation*]

Mr. Guy Ricard (Laval—Ouest): Mr. Speaker, I welcome the opportunity to speak to you today about the terrible situation in Yugoslavia. After listening carefully to comments made in the House so far this evening, I had trouble understanding what kind of message the opposition was trying to send us. I know the Canadian government is trying to help the people of Yugoslavia, and I realize perhaps something else should be done as well. However, if I recall correctly, during a similar discussion we had a few months ago on the war in the gulf, the same opposition parties voted against the same UN resolution.

I will just say that I find it difficult to understand them, and that is putting it mildly. Perhaps I could explain what Canada is doing at this very moment. What we want

above all is to stop the killing and persuade both sides to embark on a peaceful settlement of this conflict.

• (2110)

As you know, Canada has acquired considerable experience in peacekeeping, and I would like to analyse the situation in Yugoslavia from that perspective. The situation is somewhat complex. It is not just a war between two armies, which would lend itself easily to a classic peacekeeping operation.

There are a number of factors that complicate matters: ethnic differences, a federation that has fallen apart, the security status of minorities, nationalism, ancestral rivalries and conflicts, mistrust of one's neighbours, the impact of these tragic events on the population, and in fact all the tragic consequences of the breakdown of the social order and civil war.

I also find the situation in Yugoslavia disturbing because it was in this country that the first sparks flew that started the conflagration of World War I. Yugoslavia is certainly not an island, and as a result, current instability may spread to neighbouring states. However, there is a definite difference compared with the situation in 1914, so much so that I feel there is hope the past will not repeat itself.

No major power has a personal interest in the region. The country's immediate neighbours are anxious to take advantage of the end of the cold war to progress politically and economically. There is no mechanism in the region aimed at preventing, restricting and regulating conflicts, such as the Conference on Security and Co-operation in Europe, also known as the CSCE, or the United Nations. To end this conflict, our only hope is to find ways to stop the warring parties and start negotiations.

Canada has acquired a broad experience of peacekeeping operations. The peacekeeping concept was first proposed by a Canadian, Lester B. Pearson, at the time of the Suez crisis, to help the belligerents agree on a cease-fire. For this concept, Pearson was awarded the Nobel Peace Prize. Since then, Canada has taken part in all UN peacekeeping missions. Today, more than 1,000 Canadian soldiers are deployed in peacekeeping operations in the gulf, Cyprus, the Sahara and the Middle East. We are also involved in the latest peacekeeping mission in Cambodia, where two members of Canadian military personnel have already started setting up operations designed to support the peace process in that country.

Since we have a long history of involvement in these missions, the greatest tribute to Canadians who served the cause of peace came when the Nobel Peace Prize was awarded in 1988 to peacekeeping forces throughout the world. A magnificent monument commemorating that event and dedicated to Canadian soldiers who took part in those operations is now being erected on Sussex Drive.

However, it is not enough for Canada to look back on the achievements of the past. A nation that has acquired such a vast experience of peacekeeping has a duty to share that experience with countries where new conflicts break out, in this case Yugoslavia. I take great comfort from the initiatives taken by Canada in this respect.

It was Canada that first requested a special meeting of the Security Council and the sending of a peacekeeping mission. The Prime Minister himself discussed the matter. We have learned from experience that sometimes belligerents must be helped to agree on a cease-fire and we realized that intervention by peacekeeping forces might be useful at this time.

Canada has played an active role in persuading a major organization like the CSCE to intervene in the Yugoslavian crisis. Some countries were surprised at our position, considering that we are not a European state. Maintaining Europe's security is our concern. Canadians fought in two world wars to protect the cause of peace in Europe.

Our troops have been part of NATO for 30 years, always for that same reason. How could we remain silent within the CSCE when the war in Yugoslavia threatens the very peace for which we fought for so many years?

Canada did far more than condemn violence and ask for a peacekeeping mission to be sent. Our desire for peace goes further than mere words. Canada joined the European nations that formed the cease-fire monitoring mission in Yugoslavia.

The mission was organized to see whether it was possible to avoid the conflict, and if not, to see whether the conflict could be controlled, and if that were not the case, to see whether we could at least protect innocent civilians from the more violent effects of combat. Under the enlightened and energetic leadership of the Nether-

lands, the observers went well beyond their mandate to try and establish and maintain a cease-fire.

Zagreb, Vukovar, Dubrovnik, Split—many of us barely knew of the existence of these cities before we heard about them in the media. They are the names of cities where the observers went and where they are continuing their peace efforts.

I wonder whether Canadians or even hon. members fully realize the extent of Canada's participation in this monitoring mission. We assigned 11 people to this difficult task. I am told they are peacekeeping experts, and it seems they are making an exceptional contribution to the mission.

All of us here salute their courage and selfless attitude. Let us join their families in giving thanks that they have been spared so far and in praying that they will return safe and sound. These Canadians show that we want to bring peace back to Yugoslavia. They give substance to what we say in the halls of Europe and the world.

I said earlier that the Yugoslav conflict is far more than a classic confrontation between two armies, and I highlighted some of the more complex aspects of the situation. What we have here is civil war.

Peacekeeping operations have also become more complex, more refined and better able to deal with the underlying causes of a conflict instead of with its military manifestations, pure and simple. They have evolved to the point that today they include missions responsible for monitoring respect for human rights, ensuring the safe return of refugees to their countries, organizing national referendums, supervising elections and responding to humanitarian needs.

Canada has both military personnel and civilians who are experienced in such missions. We have people working in the human rights monitoring unit in Salvador. We gave our assistance when elections were held in Haiti, and Canadians are once again involved in restoring democracy to this troubled country. We are now involved in a mission responsible for organizing a referendum in the Western Sahara, in the national reconciliation campaign in Angola and, since quite recently, in the general UN mission responsible for restructuring political institutions in Cambodia.

Canada has also played a leading role in the development of peacekeeping concepts. A 34-nation committee of the United Nations is studying all aspects of this activity. I find it revealing that, since the end of the cold war and the resulting revitalization of peace keeping, this committee has chosen a Canadian as vice-chairman, who also chairs its working group.

Innovative ideas together with a vast experience of new peacekeeping possibilities may give us a way to resolve the Yugoslav situation.

Needless to say, Canada has already contributed to the efforts to bring this conflict under control. We have advised the CSCE and the UN. We are participating in the observer mission in Yugoslavia. We support the European peace conference. We have condemned acts of violence. We have applied sanctions and provided aid to innocent victims. But the fighting still goes on. However, it seems that the parties in conflict and the European Community are now considering putting in place a peacekeeping force to end the fighting and allow talks to be held.

• (2120)

I understand that the UN Secretary General has sent his special representative, Cyrus Vance, and his Assistant Secretary for Peacekeeping to Yugoslavia to see what can be done in this regard. We should be pleased with this development.

As I already noted, Canada is highly regarded in the CSCE, the European Economic Community and the United Nations. We have maintained an impartial policy toward the parties in conflict. I therefore think that we are well placed to continue to take part in peace efforts, to which we attach great importance.

In their deliberations, international organizations and the parties concerned will look at various roles that peacekeepers could play in Yugoslavia. For example, they could guarantee the security of minorities. They could supervise the cease-fire and the disengagement of forces. They could also participate in humanitarian aid efforts and introduce confidence-building measures.

Furthermore, the trans-Yugoslav highway and railway will certainly have to be reopened and the economy will have to be revived. Relief will have to be provided in combat zones and refugees will have to be returned to

their homes. Finally, respect for everyone's human rights will have to be ensured.

A peacekeeping mission in itself cannot solve the Yugoslav crisis. It must be accompanied by a general desire for peace. Moreover, the enthusiasm aroused by its presence must not predetermine the final settlement. Thus a temporary cease-fire line must not become a new *de facto* border.

To conclude, I will say that Canada has played an important, appropriate, impartial role so far in this crisis. Some signs indicate that with some encouragement, the parties may now agree to lay down their arms. We should maintain our assistance to get them to stop fighting and to start negotiating.

[*English*]

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I rise to address this emergency debate on the issue of Yugoslavia, but I believe by agreement I am going to share my 20 minute allotted time with my colleagues from Scarborough—Rouge River and Hamilton West, with your permission.

We are here this evening to address a very serious crisis in our world, that which exists today and has existed for too long in Yugoslavia, a situation which is deplorable for the consequences it has wrought upon so many innocent victims in Yugoslavia: 3,000 dead and 350,000 displaced persons in a modern society is totally unacceptable. It is particularly unacceptable when we remember so well the reaction of the international community to the crisis that occurred within the last year in the Middle East when Iraq invaded Kuwait.

It appeared that because our own self-interest was so much at stake we could do nothing more than react. Today we have all these innocent people within Yugoslavia who are suffering so much personally and it appears that those who have power to change things in the world are not prepared to take the necessary steps or do not have the political will to bring about a peaceful resolution to the problem that exists.

Sovereignty sensitivities in this area have translated into inaction. This is unacceptable. Young people, students, men and women who have learned over years, mind you under a stern dictatorship, to live together despite their ethnic and cultural differences today are suffering.

One of my early memories as a student was being in Yugoslavia and being entertained by other students in Yugoslavia. It was one of the richest cultural and ethnic experiences I have had to date.

It was an experience to have Serbs, Croats, Slovenes, Macedonians and all the cultures of Yugoslavia coming together. We all shared our song and our dance routines and our tales of our cultural past together. It was a rich experience. I saw people in that country all living together peaceably at that time. It is certainly distressing to see what is happening today.

I believe there are remedies which the international community could have taken long before now and which have been suggested and to which we must address ourselves. For example, it has been suggested for some months that an oil embargo against Yugoslavia would have some impact in causing the conflict there to dry up literally for lack of energy resources. We have an arms embargo in place. Despite this the international community has not done what it could have done to make sure that the arms embargo was effective.

As we talk about embargoes against the country of Yugoslavia, which is unnecessarily at war and conflict at the present time, we have to be aware that we must turn our attention to the humanitarian needs of so many people who have been displaced. We must assure by whatever means is necessary, through provision of supplies by ship and by air, that the people who are the innocent victims in this turmoil have their needs met.

The Serbs and Croats themselves have asked for international assistance. There have been attempts we know by the European Community to try to bring about peace in this region. Unfortunately although perhaps there is some tenuous possibility this evening, so many cease-fires have not brought the result that we want.

It is true that when the people of Yugoslavia see other nations and republics around them looking to a new life freedom and when they look back to their cultural past and heritage, they do look for a new relationship. I believe that the international community could support the European suggestion of there being a Yugoslavia composed of six republics co-existing in a loose confed-

eration. Before any of this process can take place we must have peace in that area.

It is incumbent upon us to do something to right the situation. If we continue to treat the crisis in Yugoslavia with distant vacuous words of regret and feigned worry, the condemnation of history will rightly rest on our shoulders.

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I remind myself that it is a privilege for me to stand in this place on behalf of the constituents of Hamilton West. It is my duty to rise in this debate, an emergency debate requested of the government by the Official Opposition no less than three times in the last 30 days. It is an emergency debate on the tragic events in Yugoslavia which have resulted in the dreadful unnecessary loss of life.

I say unnecessary because this is another idiotic war which might well have been prevented if the United Nations, the only institution that can organize the world community, had heard from our government. Where were the voices opposite? Lest we forget, it was this government that led the charge against Saddam Hussein and wasted no time in declaring that it would send a flotilla of ships to the Persian Gulf. In the aftermath of that war this government was also one of the first to carry the flag of that new world order. Things will be different now, the government declared. No more shall the spectre of war be allowed to raise its head before the international community. The international community is now a tool for peace, for security. Should any nation forget this, the international community will surely say "not again".

Where were the Security Council resolutions on this particular crisis? We remember several from the Persian Gulf conflict but why not this time? The Official Opposition declared at the time that because this government tied itself so closely with the United States, Canada could no longer act as an intermediary between nations. Canada's voice should have been heard long ago on this matter, but we are stuck with a government which is nothing more than a surrogate voice for the United States.

• (2130)

While Yugoslavians are dying and while Canadians of Yugoslav origin and descent were feeling pain here at home, where was our government? Where were the United Nations resolutions condemning the violence and calling on the Yugoslavian army to cease its attacks and withdraw from Croatia?

I have said it before and I will say it again, you cannot negotiate—and I will tell the hon. member for Mississauga South again—at the point of a gun.

We in the opposition call on the Canadian government to take a stronger role in mobilizing the international community into acting decisively to help bring the Yugoslavian conflict to an end. It is a conflict which has already cost thousands of lives.

As we speak this evening there are over 50,000 people blockaded without food, without water, without electricity, without medical supplies in towns such as Vukovar and Dubrovnik. We hear or read the names of these towns in the news but they seem so remote. We cannot forget that the international community, particularly Canada, has not proposed any meaningful measures to end this civil war.

Toward that end the Liberal Party calls for increased humanitarian aid by way of air or sea where possible to relieve suffering civilians. We also call on other members of the United Nations to help bring an end to the conflict.

The Liberal Party called for such action as far back as last June. If our government had led the charge back then perhaps some of the bloodshed would have been forestalled. It is one thing for the government to posture on opposition demands to change legislation but an entirely different matter not to listen to those voices which are crying out for peace.

Here is what they are saying in my riding of Hamilton West. Boris says: "We just want to live as human beings again". My neighbour Peter says: "The houses are burning; the children are crying. Help us put an end to these barbaric actions".

I am not here tonight to stand up for moral superiority of Croatians over Serbians or Serbians over Croatians. I am here not to lecture Canadians on why one side should win over the other side. I believe it is my duty to stand up for justice and the justice that must be seen to put an end to this war. The justice I see is in putting an end to the destruction of towns, villages and families and brothers against sisters. The justice I see is that my country will stand up and lend its voice to rally other nations behind that drive for peace.

Are we so morally superior that we can race to the Persian Gulf but not to Vukovar? Are we so superior that we can allow this war to be fought until it is over? That may be a long time. It may be just a short period of time, but not for the Yugoslavians, not for the people who must put their crumbled lives back together again.

My message is brief. Their request is uncomplicated: use whatever influence at your disposal to mobilize the international community to act to bring an end to this horrific conflict. This House, this party, the government and the NDP have to work together. We have to show constructive action and constructive leadership on this issue.

The high moral road will be taken when this government stands up for whatever is left of this new world order and says it will help show the path to peace. That will be justice.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to address this very important issue here this evening for six minutes or for however long it shall be.

This is a very sad and frustrating experience for many of us on both sides of the House who have watched the evolution of this terrible affair in Yugoslavia taking place principally now in Croatia. We have seen all of the innocents involved. We have seen the old people and the young people. We have seen the death and the mutilation and the destruction and we wonder why it goes on in the face of the will of so many around the world to see it ended.

Some will ask: What can we do here in Parliament? We all acknowledge there is not a magic solution to be accomplished here, but Parliament enables us to articulate for Canadians our wishes, our views and our positions as a people and as a nation. It is through Parliament that we can urge and convince our government to act the way we want it to act. That is why we are here tonight.

We want our government to act aggressively for peace and not just to go through the motions. This government did not cause the problem in Croatia and this Parliament did not. It is one having roots going back quite far in history. It looks to me on this side of this House that sometimes the government does not know exactly what it wants to do. It does not seem to be seeking out and aggressively pursuing creative new ways of addressing peace in the situation in Yugoslavia. I do know for sure that that kind of a problem did not stop Mike Pearson 50 years ago. He sought out the new solutions.

What is missing here is effective international leadership in attempting to resolve the failure of our international community to bring about some amelioration of the problem in Croatia. What we have here is a failure that stands in stark contrast to the effective action the international community took in the Kuwait situation approximately one year ago.

I know the international community has tried. There have been European community observers in the field. There have been peace proposals. There have been cease-fires. There has been a lot of talking about a peace force, about an oil embargo, about economic sanctions, but this all seems to be worth very little in the face of what is now happening in Croatia.

Last week we saw the terrible sight, and I know there is much worse going on, of the Yugoslavian army using the historic city of Dubrovnik for target practice. We have simply got to do more.

Some say this is just a civil war, that we should not be intervening. In my view, this is no longer simply a civil war. It is clear I think from most international observers that the country of Yugoslavia has failed to control its army. The army is doing what it wants, where it wants and is operating without the political control of the people of Yugoslavia. We have seen in Slovenia, which has taken approximately the same type of democratic steps that Croatia has, that it has achieved the measure of independence, or at least has come a long way to achieving the independence which it seeks and it is not experiencing the type of war that is now going on in Croatia. This is not civil war, this is anarchy.

The use of the army to smash resistance in Croatia, in my view, is shortsighted and I believe that history will show us that we cannot use an army to achieve a goal in the face of and in contrast with a viable, democratic initiative. The guns simply cannot hold out forever.

I want to close noting that this tragedy cries out for international intervention because the innocent in Croatia need it, because we want to do it, as a country we want to participate and because both of the sides in

Croatia have actually requested it. What is holding us up? It is ineffective international action.

• (2140)

I want to leave three questions with the House that have been put to me by individuals from the Croatian community in Canada. Apparently Canada sent five observers to Croatia. But did they ever go to Zagreb? Did they ever leave Belgrade? I am told they did not. What are they doing there for Canadians in monitoring events in Croatia?

Second, I understand that the Prime Minister refused to meet a Croatian delegation on or about September 22. I do not know why he would have refused. Maybe he had reasons but it does not look like he really cared.

Third, why did Canada choose not to speak to its own resolution put to the Security Council at the United Nations? It was put to the Security Council through France. Surely if France permitted Canada to put the motion through its seat at the Security Council it would have permitted Canada to speak to it. I am told that Canada did not speak to it.

I leave these questions for the government. Obviously it believes it has answers. I leave the floor to other members of the House to continue debate on this tonight.

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, one week ago today only several hundred yards from this Chamber, Rabbi Reuven Bulka, Honorary Chaplain of the Royal Canadian Legion, speaking at the Remembrance Day ceremonies commented: "The opposite of war is not peace. Peace is only a state of not being at war. The opposite of war is harmony".

Yugoslavia was in a state of uneasy peace for many years but harmony has eluded it and never developed in this region. In the past few months the world has witnessed in horror the deterioration of this fragile situation into a state of all-out war.

Let me express first of all that Canada's heart goes out to those who are personally suffering themselves in this situation. In addition, the challenge is twofold for the world community. First, the terrible bloodshed and death and the malevolent destruction of entire cities and villages must stop. Second, following the cessation of hostilities which must inevitably occur, the conditions for mutual trust that are essential for a state of lasting harmony in this region must be established.

These are not easy tasks. The roots of this conflict reach deep into history and the base human desire for revenge and retribution has increased rather than diminished over time. It is tragic that when an unprecedented era of freedom and justice beckons all the people of Europe, Yugoslavia has descended into a cycle of intolerance, inflexibility, death and destruction.

[*Translation*]

The hon. member for Winnipeg South Centre asks the government to take immediate and decisive action to end the slaughter. We could not agree more with the feelings expressed and the objectives stated. There is no point in having a debate on that issue. We think exactly the same thing.

However, the hon. member also said that so far Canada and the European Community have done too little too late. I must disagree with the hon. member on that point.

[*English*]

I am sure that the member knows and remembers that one of the benefits of being in government is having the opportunity to change things for the better. But he also knows that one of the frustrations of being in government is recognizing a problem and being unable to solve it alone. Such is the case in this desperate crisis in Yugoslavia. I would like to have a formula that would convince the parties to drop their weapons and negotiate a fair and lasting settlement. But the politics and the emotions of this region defy any such straightforward solution.

Consider for a moment the complex ethnic interrelationships in this region. Serbs make up 66 per cent of the people of Serbia but in one part of its territory, the province of Kosovo, 90 per cent are Albanian. In Croatia 75 per cent of the people are Croatian but fully 12 per cent are Serbian. The ethnic mix is even more complex in Bosnia-Herzegovina where 44 per cent of the people are Slavic Muslims, 31 per cent are Serbs and 17 per cent are Croats.

Establishing peace and stability in a region of such entrenched ethnic tension is not easy. But I want to assure the House and the people of Canada that we have not backed away. From the outset Canada has been outspoken and clear. We seek for all the peoples of Yugoslavia a peaceful, comprehensive and negotiated settlement that protects minority rights, ensures no

unilateral or forcible changes of borders, and provides for appropriate financial and legal arrangements among the constituent parts.

[*Translation*]

Through official international channels, we have communicated our views to the government and peoples of Yugoslavia.

From the beginning of the crisis, Canada has played an active role in the efforts made by the Conference on Security and Cooperation in Europe for a peaceful resolution of the conflict.

We wholeheartedly support the CSCE's statement that the rivalries in Yugoslavia must be resolved through peaceful negotiations, as the CSCE's Helsinki principles provide, as well as the statement relating to any forced change in the boundaries within Yugoslavia being unacceptable.

[*English*]

However, the CSCE was unable to act effectively in the spring because a number of countries, among them at that time the U.S.S.R., were loath to see it move on a conflict within the borders of a member state. The member state of Yugoslavia was a member and is a member of the CSCE. It was also uncertain. So the torch was passed to the European Community to try and settle this conflict.

[*Translation*]

We made sure that this initiative was taken in the context of the CSCE's broader responsibilities and, like Czechoslovakia, Poland and Sweden, we put Canadians on the observer teams sent to Yugoslavia by the European Community.

But the most important effort was undertaken at The Hague peace conference, chaired by Lord Carrington. We have supported these efforts as the major activity, and we continue to support Lord Carrington. Indeed, in accordance with the United Nations charter, we must first try to solve conflicts at the regional level before going to the Security Council.

[*English*]

The question is: How long can these efforts be made and made again while the obscene killing goes on before some more resolute action is required? Once again there is not a simple or superficial answer.

[*Translation*]

The Prime Minister and I have uniformly condemned the violence and intolerance in that country that have led to all-out war.

Secondly, we were among the first to show the international community the potential consequences of that tragedy.

[*English*]

Canada was the first country to request a meeting of the United Nations Security Council on the Yugoslav situation. The reason that Canada did not speak to that motion is that the rules of the Security Council did not permit us to despite repeated requests. Our view is that the Yugoslav crisis poses not only a human tragedy of enormous proportions but also a direct threat to international peace and security in the area. The collapse of an effective governing authority exacerbates the potential for civil strife and further endangers the peace and security of neighbouring countries. This call for action on the part of the Security Council has been resisted by some of its members who believe that the tragedy of that country remains an internal matter and that Security Council action would constitute interference in its internal affairs. Unfortunately, despite our own pleading, despite our own lobbying, despite our own work with each and every member of the Security Council, including the permanent five and the rotating members, that view has been held by one permanent member that has a veto: China.

• (2150)

We agree that this is outmoded thinking and it is deeply damaging in the circumstances. We do have some basis to hope that China will soften its stand, but in the meantime there is little that we can do except to try and continue to make the case as we do daily.

The situation also poses a direct challenge to the principles enshrined in the charter of Paris and the aspirations of all participating countries in the Confer-

ence on Security and Co-operation in Europe for the peaceful settlement of disputes. We have called for the establishment of a peacekeeping mission and have indicated that we are ready to contribute resources to such a mission.

Last week both the Serbian dominated Yugoslav presidency and Croatia at last called for the UN to send peacekeepers. They are not however in agreement over some vital issues of where the warring forces will be separated.

The UN Secretary-General's special envoy Cyrus Vance and the undersecretary general responsible for peacekeeping are now in Yugoslavia to see what can be done. Our monitors remain there in co-ordination with the European Community which is the one that is directing the monitoring process and which makes the decisions on where members of the monitoring mission go. Such a peacekeeping effort could have several roles, some of which have been alluded to earlier:

First, the supervision of a cease-fire in the disengagement of rival forces.

Second, basic protection for the security of minority groups in the republics.

Third, assistance in the distribution of humanitarian aid and the return of displaced persons to their homes.

Fourth, the supervision of relief for blockaded army camps and a general monitoring of the activities of the Yugoslav army.

Fifth, the reconfirmation of existing borders within Yugoslavia.

Sixth, assistance in the reopening of crucial road and rail networks.

Seventh and finally, the establishment of confidence building measures at the grass roots level between the rival factions.

These are steps that Canada has urged in every forum. It is a large order but it does follow the concept of moving from peace to harmony.

Canada stands ready and willing to contribute to such a comprehensive peacekeeping mission and we have been from the beginning. But even to contemplate peace the leaders of the parties to this conflict in Yugoslavia must be brought to the bargaining table for genuine discussions. This necessity presents a difficult dilemma for countries outside the conflict. How can they force the issue without further hurting the people who are already affected?

As in other areas of conflict, Canada has sought to use economic and political levers for peace in an even-handed way while at the same time provide humanitarian assistance to the victims of the violence.

When the crisis began I instructed my department to refuse systematically to issue any permits for the export of arms or other military goods to Yugoslavia. Canada has not only supported UN resolution 713 but has moved in advance of it.

The Prime Minister and I have written to the leaders of the parties involved in the crisis, urging them to end the violence and pursue a negotiated settlement. I have met with the foreign ministers of Yugoslavia and Croatia and will take every similar opportunity to do so in the future.

Our government continues to receive calls for recognition of those republics which have unilaterally declared independence. I know this is a sensitive point. We shall continue to resist such pressure. First, we believe along with members of the European Community and after much soul searching and discussion that recognition of republics that wish to leave Yugoslavia should only be given within the framework of a general agreement. This was discussed with members of the European Community, the Conference on Security and Co-operation in Europe and NATO, and I have discussed this personally with Cyrus Vance and with Peter Carrington.

Recognition of Croatia and Slovenia at this time would signal the end of the negotiation process and would leave force and violence to settle the issue.

It would also jeopardize the fate of other republics and minorities that have called for other kinds of arrangements for Yugoslavia.

We steadfastly believe that the first requirement for any political solution is peace within the region. Canadians are participating in the international cease-fire monitoring mission, as I pointed out, that was mandated by the CSCE and led by the European Community. Canada will continue to do what it can in the Conference on Security and Co-Operation in Europe to serve the cause of peace.

Also, Canada has fully supported peace efforts by the European Community. The EC has played a leading role

in this crisis because it has more influence than anyone else on the Yugoslav republics, several of which are seeking membership or have at least expressed the hope of membership in the community. So the community, it is believed, has some leverage.

Earlier this month we joined the European Community in announcing a package of sanctions designed to apply pressure to the various factions in Yugoslavia. Specifically, we suspended Canada's general preferential tariff treatment to Yugoslavia. We put Yugoslavia on the area control list, which means that any export to Yugoslavia now require an export permit.

[*Translation*]

We announced that all requests concerning Yugoslavia made under the terms of the program for export market development and under the Renaissance program for Eastern Europe would be rejected, and we suspended trade development and support initiatives for Yugoslavia.

We welcomed the suggestions made by the European Community for other measures to strengthen the arms embargo, and which favour an oil embargo.

We also reacted with our hearts. At the NATO summit in Rome, I was the first one to urge the other foreign ministers to combine sanctions with specific measures to make humanitarian aid more effective.

[*English*]

We have moved early to provide assistance to victims. Our first step was to provide the international committee of the Red Cross with a contribution of $250,000 in support of its programs in all regions affected by the crisis.

On November 8, we went well beyond this. The Prime Minister announced from Rome that Canada would make an additional $1 million available for humanitarian relief. Funds will be provided for the Canadian Red Cross to purchase emergency relief and medical supplies for the International Committee of the Red Cross to use in Yugoslavia, and the Canadian forces will provide air transport to move those supplies into place.

I will be announcing the details of this effort within the next few days. In the meantime, NATO countries are giving active support to the efforts of the UN and the Red Cross. While the tragedy in Yugoslavia unfolds, many thousands of miles away there are thousands of Canadian families who are directly affected. For the many Canadians of Croatian, Slovenian and Serbian descent, the events are not simply video images on television screens. They are family, friends and special places and personal memories.

I know, without being out of order, that many of them are here to hear us today and many of them will be watching at home. Each day the pictures of war score direct hits on their hearts and their peace of mind as well as those of all other Canadians.

Since the beginning of this crisis, the safety of Canadians has also been on our minds. We have advised by letter all registered Canadians in Croatia to leave the zones of conflict. All Canadian missions are in a position to provide Canadian visas to Yugoslav nationals and locally engaged staff in our Consulate General in Zagreb continue to operate the mission and offer assistance to Canadian citizens in Croatia.

But we must also comfort and support the Canadians here at home who have families and friends in the area. They live peacefully in our neighbourhoods among us with people of all races and creeds, from every corner of the world. They work side by side with people whose families arrived here three or four hundred years ago. They value peace, freedom, order and equality of opportunity for members of their families and the people of their communities as well as those in their homelands. They tolerate diversity, differences of opinion or political affiliation because they live in our country in a generous society and a tolerant one. They value that harmony that is the cornerstone of our society.

• (2200)

We ask them to help us. They are involved emotionally and otherwise. We ask them to help us in calling for leaders in all parts of Yugoslavia and its component states to stop shooting and to come together at the table.

We can impose strict sanctions. We can condemn violence and plead for peace, we can meet around the clock in our various fora and we can pass all of our resolutions, but the people of Yugoslavia must themselves find that harmony that is crucial to their future. That is neither an avowal of failure nor an unwillingness to do everything in our power to support peace efforts and to provide relief. It is a note of caution for Cana-

dians who think that there are quick and simple answers even as we are searching for those new answers.

We pledge to make every effort to assist the people of Yugoslavia. When those opportunities are there we will seize them and we will search them out. We will also seek an immediate peace. One more death, one more injury, one more devastated building is one too many. But we do pray for that harmony, we search for it. We join with our allies and we join with our fellow Canadians in seeking it.

Mr. Horner: Mr. Speaker, could I seek unanimous consent of the House to ask a short question?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the hon. member to ask a question?

Some hon. members: Agreed.

Mr. Bob Horner (Mississauga West): Mr. Speaker, we are sitting here debating something that does not need to be debated. Every member of this House knows full well that we must certainly stop—

The Acting Speaker (Mr. DeBlois): On a point of order, the hon. member for Saint-Denis.

Mr. Prud'homme: I regret, but we have had a very orderly debate so far. The hon. gentleman has asked the permission of the House to put a question to the hon. minister. Exceptionally, we are in agreement to say yes, but if he wants to make a speech, let him take his position with you, Your Honour, and then let him make his speech later. If he wants to provoke members, the debate so far has been excellent, and I do not see why we should provoke each other.

The hon. member asked permission to put a question to the hon. minister. We say yes because we are interested. Let him put the question to the minister and then I think we will proceed with a very orderly debate.

The Acting Speaker (Mr. DeBlois): I ask the co-operation of the hon. member.

Mr. Horner: Mr. Speaker, I thank my hon. friend for bringing this to my attention. I certainly did not plan or do not plan to disrupt a very orderly debate.

This is a very upsetting situation that we have. We have everyone here in this House in absolute total agreement that the fighting must stop, the devastation must stop, the loss of human life must stop, the suffering must stop. However, I commend the minister for—

Some hon. members: Question.

Mr. Horner: I commend the minister for having brought forward the things that she has done. However, this is not stopping the fighting. The minister has said she has consulted—

An hon. member: Put the question.

The Acting Speaker (Mr. DeBlois): Order please. The hon. member received the unanimous consent of the House to ask a question. I am patient but please ask your question.

Mr. Horner: The hon. minister has stated that she has consulted with Cyrus Vance and Lord Carrington about recognition of the state of Croatia. I want to ask the minister: Why can we not recognize the state of Croatia right now as a show of good faith and would it not be a great thing for Canada to recognize Croatia as an independent state now?

Mrs. McDougall: Mr. Speaker, I recognize the interest of members of this House and of the people who have connections in this region concerning recognition.

It is the opinion of all of us who are engaged in trying to make the decisions about what we do both bilaterally and internationally in these matters that it is not going to achieve the number one objective, which is to stop the violence. Recognition simply changes the nature of the combatants and it becomes a foreign war as opposed to a civil war. It does not stop the violence.

That is why I made a point of raising it with those particular gentlemen because they are engaged as emissaries to the region and they are in touch with all the parties concerned and all the leadership of the various states that are involved as well as with others in international meetings. I have discussed it at the United Nations

because we are all doing our soul searching on how we should act under the circumstances.

What does Canada do under the circumstances? We are doing everything I believe that we can within the organizations we belong to and bilaterally through our connections with the leadership of the countries involved. Recognition now of Croatia or of any of the others—Slovenia is another state which is in a similar position in terms of recognition—takes away some of the leverage to work toward peace and toward bringing people to the table.

That is certainly the international consensus. It is a question that we revisit time after time and that we will continue to ask ourselves because there may well come a moment when that is the answer. The considered view at the moment is that that time is not yet.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, it is with pleasure that I take part in this emergency debate tonight.

During my term as a member of Parliament, I have had the honour of joining other members in this House in answering debates on the self-determination of nations and human rights.

Tonight, we are specifically debating the independence of Croatia and the war crimes being committed against Croatians. On two occasions I have visited Croatia, and Bosnia-Herzegovina as a Canadian observer during the elections.

It was during the 1989 Croatian election and one year later at the Bosnia-Herzegovina election that I found that democracy worked. I have fond memories of the moment when the election results were announced that the democratic forces of the Croatian Democratic Union won the election.

Those elections were certainly an expression of the will of the people. Yet, the Canadian government is still unwilling to recognize Croatia's independence. I have to ask myself why. Why is this happening? I believe because the will of the government is not there because of an agreement reached at the Conference on Security and Co-operation in Europe in Berlin on June 20, and the Group of Seven Leaders declaration at the London summit of July 16 where they agreed to maintain Yugoslavia in its *status quo*.

I quote the hon. member from St. Paul's, the Secretary of State for External Affairs, in the department's press release of June 27. "As Prime Minister Mulroney has said, Canada considers the unity of Yugoslavia to be very important to the stability of central Europe. That is why Canada subscribed to the June 20 statement of the Conference on Security and Co-operation in Europe, the ministers who supported the unity and territorial integrity of Yugoslavia."

I would like to quote Andrew Cohen, a journalist who wrote in *The Financial Post*. He called the unravelling of Yugoslavia "almost a mirror image of Canada and therefore Canadian politicians think Quebecers might identify too much with the nationalists of the republics." The republics of Croatia and Slovenia fall within the sphere of influence of the old world order, that is to maintain the integrity of Yugoslavia, a world order that in 1956 abandoned Hungary when it was invaded by the Soviet armed forces, a legacy that ignored the democratic processes in Czechoslovakia in 1968, a world order that created Yugoslavia in 1918, a Yugoslavia that was created artificially by joining different nations in the subdivision of the Austro-Hungarian and the Ottoman empires.

• (2210)

So we have the first world order as a direct result of World War I, when at the Versailles Conference the victors artificially created Yugoslavia, recognized the independence of Poland, Czechoslovakia, Hungary, Romania and Bulgaria, rewarded the communists in Moscow by helping them build the Soviet empire, subjugating Ukraine, Byelorussia and other nationalities in the Soviet Union and assisted Stalin by ignoring his killings of millions of people. As an example, the artificially induced famine in Ukraine in 1932 where seven million people perished, they ignored the existence of Gulags and all of this in the name of the new world order.

There was a decision made as well to punish Germany and Italy through economic measures after the First World War. That, of course, devastated those economies and gave rise to Hitler and Mussolini.

That then brings us to World War II with all its tragedies. Over 40 million people died, most of them in eastern Europe. At the end of World War II, at the Yalta Conference, President Roosevelt, Stalin and Churchill

again divided the world into spheres of influence. The Soviets took over Yugoslavia, Poland, East Germany, Czechoslovakia, Hungary and Romania. There was no consideration in those negotiations for the right to self-determination for those countries. The United States of America and Great Britain, being colonial powers themselves, had no problem with either the concept or the execution of delegating those nations to become colonies of the Soviet Union. This led to the creation of two nuclear superpowers and the cold war, the building of thousands of nuclear warheads and rockets by both powers in their respective countries.

The world started talking of a mutually assured destruction in an atomic war. Then in 1986 something very tragic happened in the Soviet Union: the meltdown of an atomic reactor in Chernobyl. Suddenly the people of the Soviet Union came out of self-denial and Mr. Gorbachev was obliged to act on *glasnost* and *perestroika*. So we can say Chernobly was a catalyst in the movement for independence of most of the former Soviet republics like Ukraine, Byelorussia, Kazakstan, and the same thing happened in Yugoslavia.

Because of those events, the equilibrium between the two superpowers was slipping toward the United States, and at that very time we had the crisis in the Middle East. The United States was able to take advantage of that situation because the Soviet Union was slowly disintegrating. This gave President Bush the occasion to talk about a new world order.

The consequence of the first world order in 1918 was World War II, or at least the seeds for World War II, and the consequences of the second world order in 1945 were the cold war and the proliferation of nuclear arms. Now we are facing a third world order, and it is a very dangerous stage because of course it could be the seeds for another war. As the United Nations tries to implement the new world order after the war against Iraq, the United States, with its dominance of the United Nations through financial control of the United Nations, becomes the supercop of the world.

In this context, President Bush wants the *status quo* in Yugoslavia and the Soviet Union. I would like to refer to his speech in Kiev in Ukraine on August 1 where President Bush warned of the excesses of suicidal nationalism. I would like to quote from an article in *The New York Times* of August 2:

> Still Mr. Bush spent much of his day here (Kiev) praising Mr. Gorbachev and his vision of the Soviet Union.

But the Soviet Union does not exist any more. Mr. Bush goes on to endorse Gorbachev:

> Americans will not support those who seek independence in order to replace a far-off tyranny with the local despotism, he said. They will not aid those who promote a suicidal nationalism based upon ethnic hatred.

They are fearful of nations like Croatia, Slovenia, Ukraine, Byelorussia, but whether they like it or not, justice and human rights are going to prevail. In this era of communications, it is impossible to fool the people any longer. But we must remember that it is a very dangerous turning point in our history.

What about the west's ideals for supporting duly elected democratic governments, their leaders and the right of nations to self-determination? I say to those western democracies, do not give us rhetoric, stand by principles. What about international law? Remember in 1954 the Hague convention for the protection of cultural property in the event of armed conflict.

Yugoslavia became a signatory to that agreement in 1955. That means that present attacks on churches and monuments are not only an affront to the world's conscience but to world law.

What about the city of Dubrovnik, the gateway to the Slavic world that is being bombarded and the people starved? That city was founded in the seventh century after Christ. It has an historic respect for human rights. The city republic afforded asylum to refugees of all nations. One of them was King Edward of England. That nation state was one of the first to recognize the independence of the United States of America and it is an irony of history that today the communist dominated navy is bombarding that historic city, destroying her monuments and history while America stands by in silence. It is a tragedy for Croatia and all the peoples of the former Yugoslavia.

We say to world leaders: Is this your new world order? We have double standards. We acted one way with Kuwait and are acting differently in the case of Croatia.

Let us talk about Yugoslavia's chemical weapons. We know that Yugoslavia outbid Brazil in winning the contract to supply Iraq with a chemical arsenal and missiles. Therefore, I would like to conclude by saying that our government has the obligation to give a signal to

the world by recognizing the duly elected and freely elected government of Croatia. I think this will lead to peace and negotiations. Otherwise, the war will continue and people are going to suffer.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, yesterday the world witnessed the residents of Vukovar coming out from their underground shelters as their homes burned on the surface.

What is happening in Vukovar and other towns devastated by the conflict in Croatia is a degree of human suffering unseen in Europe since the Second World War.

The United Nations children's fund visited Dubrovnik only to find children left wounded and homeless by a political crisis that they cannot even begin to comprehend.

• (2220)

The destruction that is occurring today is a result of the age old belief that political aims are worth human lives, even thousands of lives, especially if most of the dying is done by the enemy. Fear, hatred, economics, land and political power are as much a part of this war as any other.

Much of the debate thus far has focused on the political struggle, the right of a population to choose its government democratically and its future against the ability of an army to usurp political control with military force and predictable rationalizations.

In every war the aggressor motivates its followers by manufacturing motives of revenge, anger and fear, provoking the kinds of vicious attacks and cruelty that have so characterized the current conflict. In April 1990 I was one of the members of Parliament from this House to travel to Croatia to monitor its first democratic election in half a century. We all saw a people filled with hope for democracy, personal freedom and economic prosperity. Many of the same people I met in Osijek, for instance, 18 months ago are dead, maimed or homeless. This is a war in which brothers are killing brothers, conscripts are being ordered to bombard their home towns, and hundreds of thousands have seen their homes and lives shattered by politicians who are indifferent to the horrors of war.

This is a war that has already scarred the Croatian landscape and spoiled its pristine coastline. The destruction of towns and villages, the disruption of trade and tourism, together with panicked military spending will leave Croatia desperate for outside financial assistance. The rest of Yugoslavia will no doubt suffer the economic and diplomatic consequences of world-wide condemnation, as well as the full burden of a crippling foreign debt made worse by military mobilization. This civil war has already killed thousands and is now sure to leave millions of the survivors of people impoverished for years to come.

In the face of ever stronger appeals for action and assistance, the world's response has been shamefully muted and restrained. Nations looked first to the implications that a Yugoslav war would have on ethnic nationalist aspirations at home. Britain has to be concerned about the impact on Northern Ireland. Spain nervously watches over the Basques. Even Canadians have looked for parallels. The Canadian government has yet to address the Croatian tragedy in a meaningful way. We heard the minister refer earlier to the hope that once peace reigned in Croatia then we would look for solutions to the Yugoslav problem.

Six months ago I stood in this House and warned that democracy in Croatia was threatened by military rule and military occupation. I called on the Canadian government to recognize whichever form of government was democratically chosen by the people of Croatia. Canada did not recognize Croatia when independence was declared, neither did the rest of the international community, and civil war ensued.

Canada has finally taken the symbolic first step of imposing trade restrictions, but the current implementation strategy places the peaceful republics of Macedonia and Bosnia-Herzegovina at the risk of becoming the principal victims rather than the states actively participating in the war.

The Liberal Party strongly supports the imposition and enforcement of a complete oil embargo of Yugoslavia by the United Nations. While such an oil embargo will adversely affect citizens in peaceful republics, it is likely to have the greatest effect in the hindrance of the Yugoslav war machine. The highly mechanized Yugoslav army depends largely on the use of aircraft, tanks and heavy equipment, all with great appetites for fuel.

While it is understood that the army will get first call on remaining resources, the political support for war will certainly dwindle when energy shortages become acute. It is time for the federal government to stop paying lip service and show real and effective leadership toward a peaceful solution to the conflict in Yugoslavia.

Members on both sides of this House have on several occasions referred to the words and actions of Lester B. Pearson for guidance in resolving international conflicts by peaceful and humanitarian means.

Earlier the minister adopted a rather defeatist attitude when it came to the racial tensions existing in Yugoslavia. The time has come for the international community to unite as one to achieve a peaceful settlement in Yugoslavia. The human toll is too great to be ignored and too great to be brushed aside by the political rhetoric and diplomatic impotence we heard tonight.

Canada has yet to make any real effort to alleviate critical shortages of medicine and humanitarian supplies. Infection, disease and hospital overcrowding are amplifying the death tolls and the human suffering. Direct shipments of medical equipment and supplies to embattled areas, as the Italians are beginning today, could save the lives of countless Croatians. The $1.5 million initially committed by the Canadian government and the additional $1 million announced tonight by the minister are insignificant when compared to the billions that Canada spends elsewhere in terms of foreign aid and are a trifle when compared to the $600 million committed by this government to military action in the gulf war.

More more people have been left homeless in Croatia than lived in Kuwait when Saddam Hussein invaded. Perhaps the west does not view Croatia as having the strategic importance of an oil rich state in the Persian Gulf, but if the world is to believe that the gulf war was in any respect a humanitarian effort, the west must now act to safeguard democracy and human rights in Croatia.

The Liberal Party supports Canada's involvement in mobilizing an effective UN peacekeeping force and directly participating in that force. With no end in sight to the bombardment of civilians, Canadian efforts must also be directed toward humanitarian relief in ensuring that Canadian resources and products are in no way fueling the aggressor.

Furthermore, Canada should announce that trade missions will be undertaken to ensure that captured territories and goods will not prove to benefit the army or its backers. The spoils of this war must never be cashed into Canadian dollars.

Hon. Chas. L. Caccia (Davenport): Mr. Speaker, in her intervention a few minutes ago, the Secretary of State for External Affairs recited events and in reciting the events that she had witnessed and participated in she revealed also the impotence of the policies that she and her government have pursued so far.

It seems to me that the Secretary of State for External Affairs failed to put forward in this debate two questions. The first one is: How long can the Government of Canada continue to deal with the government of a country which submits its own people to bombardment of its own population, to the destruction of its own towns and cities, and to the destruction of the fibre of the very nation?

One must ask for how long the Secretary of State for External Affairs can live under the delusion that Canada and the west can have a leverage in negotiating with Belgrade when Yugoslavia has fallen apart and when the government of that country has lost the moral authority to govern because it started the destruction of its own people. I cannot believe that the Secretary of State for External Affairs of Canada does not have the intellectual strength to put forward this question for debate tonight. It seems to me that this is one of the key questions that must be approached.

• (2230)

In other words, how long can we in Canada pretend that Yugoslavia still exists? How long can the Government of Canada elude itself that it can negotiate and bargain with a government in Belgrade when that federation which was a dream for two generations since 1945 has suddenly fallen apart and disappeared almost overnight?

The second question it seems to me is: Why has the Secretary of State for External Affairs, despite the urgings and the debate that preceded her intervention, not put forward the principles or at least her views on the proposition made by the member for Winnipeg South

Centre when he proposed earlier the concept of a new ethic for intervention? Obviously one can see the evidence in the global community that the transfer of sovereignty to a higher level is required in order to deal with national situations.

Evidently we are witnessing the fact that international institutions which we have created are not capable of surviving the acid test of internal divisions in a country such as Yugoslavia. Therefore, at the point when we come to that realization I then submit that we have to discuss and elaborate on the concept put forward by the member for Winnipeg South Centre, the concept of a new ethic for intervention. It is the kind of ethic that will be required in order to bring peace to this war torn and desperate nation which is so gifted with human qualities, so rich with history, so rich with architecture and culture, as everybody in this House has already stressed and underlined.

Evidently something is not functioning within the regional or international institution within the security organizations which have so far more or less served us well. We are now entering a new phase.

Canada a few months ago got passionately involved in the question of Haiti, and so it should have. We have a large population in Canada from that country. In Canada we have a large population of Yugoslav origin. I cannot understand why the Secretary of State for External Affairs did not get as passionately involved as she did with the Haitian question. It escapes me why Canada is not really involved in the negotiations in the search for a solution. We have to work at the solution and we cannot limit ourselves in endorsing other country's initiatives. We have to demonstrate that we also have initiatives of our own and that we have a role to play toward the working out of a satisfactory solution.

We know that there was no support for the Czech and German initiative. We know that there is fear in the international community for creating a precedent. Let me explain.

There must be some fear in a number of nations which have minorities within their own borders in intervening in case of an emergency, because if they were to do so they feel they would create an emergency or create a precedent that would allow minorities within their own boundaries to develop initiatives and activities reminiscent of the situation in Yugoslavia and which then in turn would require and would justify intervention by the international community.

The question has been raised by the member for Victoria: Why has this matter not been resolved? We as Canadians do not understand why it is not being resolved. Maybe part of the answer is that there is a fear of creating a precedent by intervening in the situation in this distressed part of the world.

What we have seen in the last several months is the use of brutal force. This brutal force has destroyed a federation of six republics and two regions which had become the model for many other nations which are functioning as a federation. It had existed for 45 years. It had brought together people of different languages and different backgrounds for that many decades and managed to develop quite a powerful and impressive economy and force in the international scheme.

However, the mutual respect which the federation had brought about has been replaced unfortunately by guns and mortars, naval shelling, guerrillas and the like.

What do the people in power in Belgrade see when they look at Croatia? Obviously it is not just a question of the Serbian minorities there. What they see are waterways, agricultural lands which are beautifully managed, coastal tourism, natural gas. By endeavouring to take over the territory of Croatia, the powers in Belgrade are hoping that they can encircle Bosnia–Herzegovina, thus moving toward the goal of creating this greater Serbia.

In the early stages, and I will conclude, this conflict was allowed by the world community to get out of control. Right wing nationalist movements in both Croatia and Serbia would not have taken over, I submit, if the west had intervened early and if it had intervened firmly.

Now, after 13 cease–fires the situation is disastrous. Passions have led to a tragedy. We must recognize that the west has allowed this to happen. We have failed collectively to give leadership. Therefore, I conclude with the words of the member for Winnipeg South Centre, that we need a new ethic of intervention. We need a manner of approaching the situation in future.

This may also happen in other parts of the world. It is an unacceptable situation for the world community from a human, cultural and social point of view.

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I will be sharing my time with the hon. member for Don Valley East.

• (2240)

When Vukovar came under siege, the world paid casual notice. This was a small community in the eastern corner of Croatia, but I believe it was only when one of the great treasures of the Adriatic, that wonderful Renaissance city of Dubrovnik came under brutal attack that the world, late, spoke out.

It is tempting to be cynical and say that if oil were involved we would be there. It is facile now to say this is a federal state sorting out its own affairs, to say as Mr. Trudeau said: "Where is Biafra?" Yet Canadians of all origins are insisting that something is dreadfully wrong in the Balkan peninsula. One by one and group by group, they are doing something about it. Young sons of Canadian Croatian families are leaving in increasing numbers to offer up their lives for their European cousins.

In Edmonton tonight a petition bearing 2,000 signatures is being sent to this Parliament imploring Canada to recognize Croatian independence. A semi-trailer truck will leave Edmonton Thursday bound for Montreal where it will disgorge its cargo of food, clothing, medical supplies, wheelchairs and prostheses on to a ship bound for one of the few Adriatic ports not under blockade.

A question is posed about this curious silence from some quarters of the world. Anthony Lewis of *The New York Times* in an article which my friend from Davenport was kind enough to circulate posed this question: "Suppose at this moment Venice were being shelled and bombed in a civil war, its treasured monuments menaced, its population starved. Would the western world be silent? Of course not. It would react in outrage. It would intervene to stop such a crime against history and humanity."

"Across the Adriatic today, another historic jewel of a city, Dubrovnik, is being bombed. Its population is being strangled by blockade and where are the world's protests? Where is any effective action to stop the crime?"

In that same article by Anthony Lewis, one of the most distinguished new democrats of eastern Europe, Vaclav Havel, says that the danger that is coming from Yugoslavia may be deeper and longer than the international community has realized.

In other words, I believe the President of Czechoslovakia may be referring to the seeds of extended conflict, perhaps once again germinating in the Baltics as happened unfortunately in July of 1914.

The Croats have had a different history than that of the Slovenes, although both spent several centuries as part of the Hapsburg Empire. The Croats were able to establish a strong, independent state in the 10th and 11th centuries which included most of Dalmatia.

As you know, Mr. Speaker, in 1102 Croatia was joined to Hungary and was governed by an appointee of the Hungarian kings. The triple kingdom of Croatia, Slovenia and Dalmatia was established in the Peace of Zadar in 1358 A.D.

We have here a nation, a people, who have had a cohesiveness and an identity over the centuries. As has been pointed out by many speakers in this debate tonight, there is the intermingling of ethnicity which has the effect of, in a way, hostages existing within the territory of other peoples. There are 600,000 plus Serbs inside Croatia and a million or so Croats outside Croatia.

Of course, we recall the horrendous, horrific events that took place between the years 1941 and 1945 with atrocities on all sides; two million casualties, 10 per cent of the population of Yugoslavia and half those casualties were inflicted by Yugoslav on Yugoslav.

In the months that have gone by since June 25 it has become clear that Yugoslavs have not yet been able to solve their differences peacefully. Since late June of this year a dozen successive cease-fires have come and gone without bringing an end to the fighting. The violence and risks spread beyond the Republic of Croatia to other parts of Yugoslavia, even beyond its borders.

I am pleased that from the beginning Canada has made clear its deep revulsion at these methods of resolving political and inter-ethnic differences. On July 4 the Prime Minister pointed out that countries are not held together by tanks or guns but by the will of men and women to live together. The Secretary of State for External Affairs later said that what needs to be understood in Yugoslavia is that peace cannot be imposed by force, nor are violence and aggression a way to address the rightful concerns of minorities. In an urgent appeal for a cease-fire as early as July 3, Canada joined with other members of the Conference of Security and Co-operation in Europe in offering to send assistance and observers to the area.

[*Translation*]

Since the beginning of the conflict, it was clear the international community could not dismiss the crisis in Yugoslavia as simply an internal matter. The situation in Yugoslavia has a direct impact on international peace and security in the region. The quasi-collapse of any effective Yugoslavian government has intensified the civil conflict and threatens the peace and security of neighbouring countries. At this very moment, Serbs and Montenegrins are in control of what remains of the federal assembly and presidency.

The sovereignty principle, essential to the survival of a State, has been invoked by those who reject all foreign intervention in Yugoslavia. However, sovereignty must observe more fundamental principles. Today, the mindless destruction of human life can no longer be considered a purely internal matter. The federal Yugoslavian authorities in fact recognized the need for international involvement by supporting initiatives like the peace conference in The Hague organized by the European Community and by allowing EC and Canadian observers, with a mandate from the Conference on Security and Co-operation in Europe, to be stationed in conflict zones inside Yugoslavia.

[*English*]

Canadians have no interest in imposing an external solution. The only lasting solution to the crisis will come from internal consensus. But Canada has acted with other countries in the international community to try to ensure that a workable political arrangement issues from a democratic process that is free from coercion and that includes specific provisions to safeguard the rights of minorities living in the different republics.

When it became clear that some of the players in the Yugoslav crisis had decided to resort to force, Canada joined the other 34 member states of the Conference on Security and Co-operation in Europe in an emergency meeting in Prague in early July to appeal urgently for a cease-fire. These states made clear that recourse to the use of force in the Yugoslav crisis was absolutely inadmissible. They offered the assistance of the CSCE in helping to restore peace in the area and proposed the dispatch of observers to Yugoslavia.

On August 28 the Secretary of State for External Affairs renewed Canada's offer to participate in the CSCE mandated and EEC led cease-fire monitoring team. The offer was accepted September 5 and a group of nine Canadians from the Department of National Defence remain on deployment in Croatia at this time. Should it be possible for the international community to play a more active peacekeeping role, for example, by sending more cease-fire monitors or by dispatching peacekeeping forces, Canada has made clear it would be ready to do its part. All we await is a viable lasting cease-fire and the consent of the major parties involved in the conflict.

The Security Council, as we know, met on September 25. It adopted resolution 713 which expressed full support for the peace initiatives of the European community and the Conference on Security and Co-operation in Europe and called on all parties to abide by the cease-fire.

• (2250)

Canada's role has been one of constructive involvement in the international peace process. The situation in Yugoslavia is complex and intractable and there are no easy solutions. Canada is committed to continuing the search with our international partners for means to end the violence. Talks are continuing with all of the parties involved in the fighting.

This week the United Nations is addressing the issues of universal and mandatory oil sanctions and of peacekeeping. Canada remains actively committed to a peaceful and negotiated solution to this tragic conflict. This is one which may find some kind of permanent resolution of peace in an area that has been a tinder-box in European and world history.

Hon. Alan Redway (Don Valley East): Mr. Speaker, I want to thank my hon. colleague, the member of Parliament for Edmonton Southwest, for allowing me a few moments of his time in this debate this evening.

I do not know whether you have ever had the opportunity to visit Yugoslavia, Mr. Speaker. I have, and I can tell you that it is a wonderful country made up of marvellous and varied peoples. As you know, tens of thousands of people from those varied backgrounds in Yugoslavia have come to Canada over many years and each and every one of them with their families has made just an enormous contribution to our country of Canada. Canada is a much richer place because of them and because of that contribution.

In 1979, in my former capacity as the mayor of East York, one of the cities that make up metropolitan Toronto, I had the opportunity to travel to Yugoslavia, particularly to East York's twin city of Skopje in the Macedonian republic. But Skopje was only one of a number of communities and a number of cities that I visited at that time, including the city of Dubrovnik. Over the last few days I and other Canadians have watched in horror as Dubrovnik and its people have been destroyed and wiped out in a very systematic way.

That is a city that has a long and ancient history. It is a city that has resisted the armies of Napoleon. Now it has been systematically attacked and systematically destroyed by an army which is out of control, as the Prime Minister has said.

Dubrovnik is one of many horrifying examples and one of a vast number of tragedies that we have seen occurring in Yugoslavia over the last many weeks. A son of one of my constituents, a journalist, was killed there just a few weeks ago in a town very close to Zagreb. I know that you, Mr. Speaker, and I and all Canadians want to see an end to the killing and an immediate stop to all of the destruction that is there. We know that Canada has taken a number of steps so far to try to bring that about. This includes raising the matter at the United Nations, the proposal for sending peacekeepers and imposing some sanctions.

But there is more that we can do and there is more that we must do in this dreadful situation. After all, Mr. Speaker, you know and I know that Canada did not shrink in any way from intervening in the crisis in the Persian Gulf and Canada did not shrink in any way from intervening, as many have said, in the internal affairs of South Africa. Surely there are other things that we can do.

Just before I came to the House for this debate this evening I received a call from a friend of mine in Yukon. He suggested that what we should be doing, as he suggested to me before, is proposing that we have a United Nations emergency force.

The Secretary of State for External Affairs tonight has indicated that there are problems with that, problems with the United Nations taking further action in this matter particularly with respect to the possibility of a veto by the People's Republic of China.

If that is the case, surely Canada has an obligation to itself and to Canadians to be speaking out and speaking out firmly and making it quite clear to the public in this country what the difficulties are in making our voice heard and putting the spotlight where it should be put, on those who are blocking intervention on the part of our country and on the part of the United Nations and other bodies around this world.

Earlier today I received a telegram from a good friend of mine and a constituent, Miro Mihelic. It read: "In the forthcoming debate, stand up and demand the immediate recognition of Slovenia. Let Canada be first. Slovenia fulfils all conditions and more. She has democratic government, undisputed borders, necessary infrastructure, its own currency and no enemies. Recognition will improve the prospect for peace. Absence of recognition will imperil the economic survival".

That is a plea for Canada to recognize the independence of Slovenia. I have to say that every day in my constituency office I receive calls from Canadians whose origins are in Croatia calling on Canada to recognize the independence of Croatia as well.

Mr. Speaker, you and I know that in Slovenia, Macedonia, Bosnia and in Croatia all have made declarations of independence. There have been votes in many of those republics. You know as well that in other eastern European countries like Latvia, Estonia and Lithuania there have been unilateral declarations of independence and where those declarations of independence were made and where there was an overwhelming vote for independence on the part of the peoples of those countries and where the necessary safeguards for minority rights were in place, Canada has not shrunk from recognizing the independence of those states and of those countries.

The Prime Minister has indicated that in a week or two's time when there is a vote in Ukraine, if in fact Ukraine opts for independence, Canada will be recognizing it as well.

Surely at the very least Canada must be consistent when it comes to the recognition of independent states.

Fortunately tonight the Secretary of State for External Affairs has not closed the door on this, but in this case the time has definitely come for Canada to fling the door of independence wide open.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I note you said 10 minutes so you are aware that I am sharing the time with the hon. member for Regina—Qu'Appelle and I would appreciate some warning as I get near the end of my 10 minutes.

As we speak this evening on this subject, we are speaking in very comfortable surroundings. It is cold outside but we are quite warm in here. We have had our dinner. We can sit here and talk as though it was something that was not really happening at all and not terribly important, but as we speak people are dying. People are being slaughtered by an army and Canada is talking. We are rather proud of the fact that we are talking and saying things that mean little to the people who are being killed.

The minister said that Canadians condemn violence. Mr. Speaker, you and I both know that all of the violence is taking place in one republic, the republic of Croatia. There is no violence taking place anywhere else. It is taking place in Croatia because Croatia has been invaded by an army, a Yugoslav army, which is supposed to be beyond the control of the civilian authorities.

• (2300)

I find that awfully hard to believe. I am not sure whether it can be accepted or not, but we know that an army depends upon its supply line. An army needs food, an army needs clothing, an army needs shelter. It needs supplies to continue fighting. Somebody is filling those supply lines and keeping them open and operating.

It can be nobody other than a government that is doing that. An army left on its own could not continue to battle for any more than hours before it would have to stop. In the meantime, we can feel good and proud of ourselves for the fact that we are condemning violence, knowing all the time that we are condemning it in only one place.

We have called for action on the part of the Security Council. That is great. We have asked for a peacekeeping mission. That too is good. We are going to impose sanctions pretty soon. We will get around to it. We have done all these things, talked about all these things, always in very comfortable surroundings, thousands of miles away from where people are being slaughtered.

We talk about doing these things and we feel good about it. Can we honestly say that all of the things that Canada has done to this point in time, short of the Red Cross donations, that all of the talk has saved one life in Croatia? Can we point to any one person and say that somebody in Croatia has benefited at all from the actions and the talk that we as Canadians have contributed to that is going on internationally?

The fighting is going on in Croatia. That was my father's homeland. He never lived in this place called Yugoslavia because he left there in 1897, long before Yugoslavia was dreamed of. But the fighting is going on in the village from where he came. I have a cousin there, the cousin has a wife. They have a daughter with two young children, a son about my age. The last I heard, the fighting was very near the village of Ozalj, 10 kilometres from Karlovacz. That is where the fighting is going on

and I am wondering whether or not my relations have been wiped out.

This community held its head up high because it stood off the Turks. The Turks never conquered Ozalj. There was a castle there, they were able to get into the castle every time the Turks approached and they were able to save that village. It was never conquered by the Turks. They have a proud history. That is the kind of country we are talking about, a nation that was independent for centuries, off and on, conquered by one or another, but a nation that had its own history of independence.

We are talking about giving them $250,000 through the Red Cross. That is great and they need it. We are going to give them another $1 million somewhere down the road. We are not exactly sure when that is going, we have to find it first, like we must with the money that is going to the wheat farmers in the prairies. If we do, it totals $1,250,000. The damage in Zagreb according to newspapers is reported at $110,000,000 a day. In three months, $12 billion worth of damage and we are contributing $1,250,000. Well good for us.

We could and should be doing more. In my opinion, we should be. Yugoslavia is a nation that was created by the allies at the end of World War I. The name Yugoslavia means South Slavs, the union of South Slavic nations, a union of nations. Canada is a nation. In spite of what some people might argue, there is one nation here. We are separate colonies that agreed to come together to form a nation. We got our independence from Great Britain and we formed one nation. Yugoslavia never did agree as a group to form a nation. It was imposed upon them by the allies as a way of stopping the Russians from expanding to the southwest and getting access to the Adriatic. Created for that purpose, power politics, they never agreed to live together and they never wanted to be together. Certainly the Croats never wanted to submit themselves to the rule of the Serbians. They never have in history and they still do not today.

There has been talk about recognition. Recognition is important because there is no other way of stopping this with talk as long as the Serbians are supported by their own government, the Yugoslav government if you like or the Serbian government. Certainly Serbia is the largest republic, the most populous republic and the one that is controlling the army, the one that is feeding the army, the one that can stop the army by cutting off supplies at any moment in time. That is where the control is. They have that control.

Recognition would mean that we are saying as a group of nations that we made a mistake when we forced these people to be subjects of the Serbians in this so-called union of South Slavs. We made a mistake when we did that and we are going to correct that mistake. We are going to correct it by saying that we should never have done it in the first place.

We recognize that the Croatians in free and democratic elections—and I was one of the ones privileged to be there and to observe those elections—made a decision to elect their own democratic government and to make their plea for independence.

If anything, the Serbians have proven that they do not have the right to rule people like that. The way in which they have handled the situation in the past three months, they just do not have the right and they should not have the right. There is only one way. All the talk in the world is not going to save one life. As I said, people are being slaughtered there every day.

There is only one way, that is for the United Nations to take action, the kind of action that we should be prepared to take in many parts of the world. The kind of action, as one member said, the United States took when it went into Iraq. There is oil there. Does anyone believe that if there was oil in Croatia that there would not be a war on right now, that the United Nations would not be involved and that the Americans would not be in there? Of course they would if it was important to them. It is not important to them, so they are not.

I believe it should be important to all of us involved in the United Nations. I believe that it should mean recognition of Croatia as an independent state. It should mean that we are prepared to go in there and say we are negotiating a treaty with this independent state and we are going to save these people from the genocide that is now taking place, the genocide that will never wipe out the Croatians. They have had a lot of practice fighting.

The Croatians fought the Germans during World War II. The Serbians fought the Croatians. Croatians were being fought from both sides but they survived. They will survive this as well. But it falls on our heads if we let this fighting go on so long that so many people on both sides

are being killed. It takes action. If it takes recognition first, so be it. Let us get on with it. Let us get beyond the talking and do something that will mean something to the Croatians who are dying right now. They have their own flag, their own anthem. I wish I could sing it. But I can say, Mr. Speaker *vivjeli Hrvatski*.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I too wish to join in this discussion.

When the republic of Croatia had the first free election I was asked to bring a group of members of Parliament together to observe that election and again when the first free election occurred in Bosnia-Herzegovina, I was asked at that time as well to put a group of MPs from all parties together. We went and we observed the elections.

I will never forget the evening as some of the election results started to trickle in from Croatia, the sheer joy and jubilation, the tears in the eyes of the men and women in the city of Zagreb. It was an experience and a privilege for me to be there that evening to join with them in that experience. There were some things that I discovered that I think are very important that I wish to convey to the House.

As we were there during the election, I had an opportunity of listening to many of their politicians, particularly to the President, Dr. Tudjman. I had an opportunity during and after the election of talking with Dr. Tudjman. In fact, I would say that from that time to the present, I have talked on maybe five or six different occasions with Dr. Tudjman and various members and leaders of the Croatian government.

What struck me was that the government of Croatia realized that if it was to become a more independent—and that is what they wanted—nation, to restore the nationhood they had to do it in a way in order to prevent a civil war from occurring. In fact, the very thing that is happening today.

They want to develop into a western democracy with western values.

• (2310)

They knew that a civil war would impact, would create a tremendous amount of hatred, retribution, violence, terrorism, that would prevent them from accomplishing their goals. They knew and understood this. They tried to do everything possible to deal with the Serbian minorities within their borders.

On numerous occasions I had discussions with the leadership, and always the question was: how can we accomplish this, how can we achieve our goal of free, liberal democracy that respects human rights. How can we prevent this type of bloodshed and civil war, this type of disaster which is pulling down the Croatian people as well as the Serbian people. It is a situation where there is no winner.

They tried, but part of the blame has to rest with the west, with our government and the Government of the United States of America, and the governments of the countries in Europe, because they failed to send a strong message to the Serbians. I should not say the Serbian people, I should say the group that is in control there now. They failed to send a message that the behaviour that they used is unacceptable in this day and age in a modern world.

Had they sent that message a year ago, we would not have had the killings today. We would not have had the violence. We would not have had the destruction. But unfortunately, that message was not sent and we are now paying the price.

I do not understand the thinking of our western governments. We hailed and applauded when democracy came, and lo and behold, when you give people the ballot, one of the first things they do is vote back the country. Is this amazing? Had Germany won the war and occupied Holland, Belgium, France and 40, 50 years later the ballot was reintroduced to Holland, guess what? The first thing the Dutch would do would be to vote back their country, and that is exactly what the people of Croatia have done, and the people of Slovenia and the people throughout the world who have been forced into a union without their consent. Give them the ballot and the first thing they will do is vote back their nation.

Is that surprising? Apparently it is surprising. But surely common sense tells you that this is inevitable. Either we accept democracy or we do not accept democracy, and the people of Slovenia and the people of Croatia have spoken loud and clear: They want their own republic. They want their own nation. They want a nation to live in peace. They want a nation that will protect minority rights. How often have I discussed this with the people in the Croatian government, willing, Mr. Speaker, to bend over backward to guarantee the rights of the

Serbian minorities. They want a society that would respect human rights. They want to be like a western liberal democracy.

They have not succeeded. In fact, some would even say that Dr. Tudjman and the Croatian government, in their attempt to in a sense appease the army by not doing what Slovenia did when Slovenia declared independence, and that is bottle up the army garrisons, allowed the army room to move in the hope of averting this type of situation.

In fact, all it did was encourage the Serbs and the Yugoslavian army to continue their aggression. So we have seen this peace being negotiated. The only people who have benefited from that, of course, have been the Yugoslavs because every time there is a so-called peace declaration or an agreement, they just continue to gobble up more territory.

When are we going to stop fooling ourselves? When I listen to the Secretary of State for External Affairs, is she naive? Is the western world so naive? She talks about not recognizing Croatia because it would remove leverage. The opposite is true. If she wants to use a lever and stop the bloodshed, she tells the Serbs that we are going to recognize Croatia. That is what will have some effect, not by saying we are not going to recognize Slovenia and Croatia because we need that as leverage. A leverage on whom? She does not need a leverage on Croatia. She needs a leverage on the Serbs.

Then we hear this rationale about it being an internal matter within Yugoslavia. Yugoslavia does not exist today. Yugoslavia does not have a legal government today. By its own constitution it does not have a legal government. The nation does not exist.

I suggest that if we are going to have some effect we need an international force. Without an international force, the fourth largest army of Europe is going to continue to commit genocide on part of its population. This we cannot accept in the western world.

I would suggest that Canada first of all recognize Croatia and Slovenia. Second, it should declare that the country called Yugoslavia no longer exists and ask its ambassador to go back home. As well it should request that the position of Yugoslavia in the United Nations no longer be there. Third, it should brand the Yugoslav army an occupational army and demand that it withdraw from Yugoslavia. Fourth, if the Yugoslav army does not exit from Croatia, the government or some international body should be prepared to knock out the Yugoslav air force, the Yugoslav navy and the Yugoslav armoured columns. Then I suspect we are going to see an end to the bloodshed finally.

The western world must wake up to a new reality that people have the vote. People are going to use their ballot. We are either going to see peaceful change or we are not. I would suggest that the western world ask for two conditions before any republic or new entity gets recognized: first, that the borders continue to exist as they are and can only be changed through peaceful negotiation and, second, that minority rights be established, recognized and entrenched in the constitutions of these new republics and that a mechanism like our Human Rights Commission be set up and be monitored by an international human rights body.

Then I think we would see the changes occurring and the changes could become peaceful. They are inevitable, but let us hope and pray they will be peaceful. It is not just in what used to be called Yugoslavia but also in what used to be called the Soviet Union and perhaps in many other parts of the world. The countries that were put together by military might or by imperialism can no longer hold together when you give people the ballot. We will see the changes.

Let us set forward some conditions so that these changes can occur in a peaceful way and that minority groups can continue to enjoy their freedom and their rights. Until we do that as a global community we will continue to see that type of bloodshed.

Surely the time for Canada and other countries in the west when we can afford just to say nothing is passed. The time has come to stand up.

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, I want to say at the outset that I want to make sure the member for Mississauga South gets an opportunity tonight, so I will try to be brief.

As the House will recall from some of my speeches in this House of Commons I have spoken out on this issue before. I am very happy tonight to see this unanimity that we have found together. I am happy that we are working on this problem and finally seeing that maybe through working together we can do something collectively that

has not been been done yet. I remind the members that in March of this year when an all-party delegation authorized by the Speaker of the House of Commons went to Yugoslavia to study in-depth the situation, we reported to this House and there was definitely some fear in our report that this very thing would happen.

• (2320)

The members of the committee reported that in their opinion they felt that violence and tragedy would come to Yugoslavia and that the Secretary of State for External Affairs should take note of this and immediately the occasion arose involve the United Nations. That was months ago. We are finally happy to see some movement in that direction but sadly so much tragedy has gone on.

I want to remind the House of the words of Pope John Paul II on November 13 when he personally denounced the destructive fury deployed against the Croatian population. He said: "An end must be put to this tragedy which dishonours Europe and the world. In the last few days there have been attacks of incredible violence all over Croatia, but especially on Dubrovnik and Vukovar. In Dubrovnik a hotel and a hospital full of refugees and wounded have been hit, among others. It is an aggression that must end. I beg the Yugoslavian army to spare the lives of defenceless civilians".

That is the same army that Mr. Milosevic, President of Serbia, told the delegation he was in complete control of and not to be worried. One would wonder about those words said a few months ago about how much control he really has, because his position was diametrically opposed at that time to Tudjman's position and Tudjman's position was democratically attained. It was clear by the referendum in Croatia that the people wanted the right to self-determination, they wanted their independence. Although this was against the intentions of the Serbians, it is nonetheless something that Canadians and Canadian governments have always recognized.

I wonder what has happened to that recognition. I would agree that the Canadian government has urged the 38 countries in the CSCE as well as the European community for peace and mediation. I would agree that this is the first time it has had an opportunity to work in this field, and I guess we on the sidelines should applaud its initiatives and energies. Clearly it is out of its depth in this field. Clearly the United Nations should have been involved from the outset, and now we need it urgently to resolve this crisis and to get on with the recognition that Croatia so justly deserves.

I would like to talk a bit about the people who have helped bring this to the fore here in the House of Commons. I think that Canadian Croatians have done admirable work in bringing this cause forward, although it certainly has been finally brought to all of our attention through the television media, as it so justly deserves, so that all 27 million Canadians can recognize the horror in Croatia today which all of us abhor. We have talked about it well tonight.

I think that these people have done a real service, a real Canadian service to us in the House of Commons to bring this to our attention and to be diligent about it. I think it is incumbent upon the members of this House to stay together on this issue. We must stay together and we must push this government to act responsibly. It is a clear case that the people of Croatia and Slovenia have made their point about their future. It has been known for months that position is against the position of the Serbian government within the framework of what was then Yugoslavia.

This is no time for partisan politics. This is a time when members of this House should act together and responsibly to keep the pressure and the facts clearly before this government and let other parliaments of the world know that we as a group of parliamentarians want action. We want the situation rectified immediately and the democratic rights of the Croatians recognized outside their country by Canada and the other nations that comprise the United Nations. We want the rights for self-determination to be given as soon as possible in a peaceful atmosphere, looked over and supervised by the United Nations, while the rest of the republics have the same opportunity.

Although tonight we are focusing on Croatia and its situation as it has evolved in Yugoslavia, there are other republics democratically seeking the same path and that has not been recognized by this government either. I would say that they have the same right. We are making a terrible mistake here if we do not stay together on this course and be committed as a group of Canadians that will lead this country's position to be one that will recognize the self-determination of the Croatians, the Slovenes, the Macedonians, and all the other republics

that when democratically given a chance for self-determination get it.

I would like the member from Mississauga South to finish this off.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, earlier in September my colleague from London—Middlesex and I were two of the delegates for Canada at a conference at the European parliament on democracy. We flew to Paris and then drove to Strasbourg. On the way we stopped at Verdun to see the crosses row on row on row that were there because of a war that some say was caused by the murder of the Archduke in Serbiano in 1914.

After that war a country was cobbled together and became known as Yugoslavia. That country had no cohesiveness whatsoever. It was cobbled together to break up the Austrian-Hungarian empire and to take a hunk out of the Ottoman empire and to put together people who really had no decent arrangements among themselves.

They were different peoples but they were cobbled together into a nation. That nation did not succeed. It did not succeed through the last world war. It was again forced together and it is now broken up. It is no longer a nation. Its people and its separate republics have overwhelmingly voted to be separate and distinct.

To suggest that Yugoslavia as a country exists is to dream. Yugoslavia as a country does not exist. To continue to suggest that the ambassador from Yugoslavia occupying premises in Ottawa represents and can speak for the people of Yugoslavia generally is crazy. It just is not so. He cannot speak for them. He cannot speak for a Yugoslav government because a Yugoslav government does not exist. The fact is that we have separate republics, all intending to go their own way and all going their own way. The problem today that we face is that one of those republics has control of the military might that used to be Yugoslavia and that army is the army controlled by Serbia that is now invading and taking over in Croatia.

• (2330)

There have been problems between Serbs and Croats for a long time. It is not of our making and it is not for us to judge how those problems developed and where is the root of those ills. The fact is that we were part of a western world that tried to cobble together peoples that really did not want to be together to form a country. It is about time we recognized our error and recognized the separateness that these people really want.

The fighting is abhorrent to all of us. We have attempted as Canadians up until now to try to play the even road. We have attempted to go to the United Nations and say: "Let us get the Security Council in and we will even be part of a peacekeeping force to help make the peace". The European common group has helped organize 13 cease-fires and 13 cease-fires have become 13 new wars. I suppose we could have another cease-fire tomorrow and we would have another continuing war.

The fact of the matter is that it is clear to me. I think it should be clear to all of the House here tonight that the cease-fires will not work, that we cannot easily get a situation where the United Nations can come in and just be quiet peacekeeper in the normal course. I think it is important that the countries of the world started recognizing the situation, that the only way we can force peace in this particular part of the world is to recognize the separate republics and cease the recognition of Yugoslavia as a state because that state does not exist any more.

I believe that it is important for the House and for the government to accept that the condition of trying to be the broker between people is not going to work that easily. We are going to have to take a stand. That is not a stand against Serbia and that is not a stand against Croatia. That is a stand for the common sense of the fact that these separate countries are really separate countries and that we ought to recognize them as separate countries. From that point of view we ought to insist that separate countries become apart. If they refuse to come apart then we ought to insist that the United Nations or whoever take compulsory action to stop the fighting without the permission of the parties involved. Clearly the parties involved cannot work out a cease-fire among themselves or an accommodation. So that accommodation will have to be forced on them.

We cannot afford in this world to allow wars to continue. We have a war going on here between people who are hostile to each other that will spread if we do not step in and stop it. That kind of thing will spread and

create the kind of holocaust that created World Wars I and II.

I say that this House has got to direct our government in our speeches and in our common agreement that it is time that the matter in Croatia, Serbia, Bosnia, Herzegovina and Montenegro be ended. We should recognize those countries, if they want to be dependent and independent, as quickly as possible and get on with it.

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, I am also pleased to stand in this House and speak on this very important subject this evening.

I would just like to comment briefly on the comments of the previous speaker on the government side of the House. I do not think anybody is being partisan here this evening. I think we all have the same interests at heart and that is for peace in the republics, in Croatia and in the others, in what he referred as the former Yugoslavia.

The emergency debate this evening has been long overdue. We on this side of the House have been asking for it. I think those other speakers have not been putting the kind of pressure on their government that we on this side of the House have been.

We have been consistently calling upon this government to address this issue. My colleagues and I have pleaded for the government to use its influence at the UN in mobilizing a peacekeeping force. The senseless, brutal violence against innocent people must stop.

One of my constituents—I hope he does not mind my using his name—Mr. William Viduka made an impassioned representation for an end to the violence in his ancestral homeland of Croatia. He even brought along a video which visually showed the violence that his people in his homeland were having to endure. His message over and over to me was: "Do something. Canada has to do something to stop this violence".

Thousands of Canadians claim Yugoslavia as their homeland. They and all Canadians want this government to live up to its commitment to advocate peace in the strongest of terms. We on this side of the House condemn the Yugoslavian army for its attack on the Croatian people.

I have met with and heard representatives on all sides of this debate. I have participated in committee and I have made comment in this House. My concern is for the protection of human rights and the right to life, for the establishment of a coherent and consistent national and international policy for the protection of the dignity and the rights of people. The issue of human rights should override sovereignty. The precedent has already been set.

Yugoslavia has been a victim of an international double standard. When similar activities were occurring in Kuwait, with Iraq as the aggressor, the international community was quick to respond to the point of going to war.

If true justice, namely the protection of human rights, is to emerge within the international community then there has to be a more consistent and effective response to ongoing and blatant violations of human rights.

The causes of this particular conflict are numerous and complicated, but the right to self-determination for Croatia lies at the core of the problem. Self-determination is a right afforded to peoples through the UN covenant on civil and political human rights. It has been ratified by over 80 countries, including Canada and Yugoslavia.

I have never been to Yugoslavia though a great number of people in this House here tonight indicated they have. However, I have been to other historically beautiful cities in Europe such as Prague. Its architecture is probably very similar to that of Dubrovnik. It is unparalleled and irreplaceable.

The destruction of not only the people of Yugoslavia but also its historic properties will forever be lost to its peoples and the world in such wanton needless waste.

The Secretary of State for External Affairs and the Prime Minister always say that they make representations on behalf of Canada. Yet it is my belief that Yugoslavia has never been on this government's agenda.

Canadians demand more than behind the scenes rhetoric.

Canada has always carried weight in the international community. Canada has never been a power militarily. However we have been a power diplomatically. What is

wrong with this government today that it is unable to take a leadership role in settling this dispute?

Canadians demand the resumption of this role in order to bring an end to the violence and killing. Canada must bring her influence to bear in the international community to see that such atrocities are not repeated ever again in any country in this world.

Mr. de Jong: Mr. Speaker, I rise on a point of order. I seek unanimous consent of the House to move:

> That this House recognizes the republic of Slovenia and the republic of Croatia as independent nations.

• (2340)

Do I have the unanimous consent of the House, Mr. Speaker, to move this motion?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): No.

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, the inability of the peoples of Yugoslavia to get along together peacefully and the inability of the world community to stop the fighting is a tragedy of unspeakable proportions. Thousands have died, tens of thousands of persons have become refugees, friends and neighbours one day have become enemies the next.

Great potential exists for similar conflicts in much of eastern Europe. Most of those states and most of the republics in the Soviet Union are multi-ethnic states. It is for this reason that it is somewhat perplexing to me that Canada has not been vigorously promoting the concept of federalism.

Despite our failings we have gone further than other countries in providing constitutional guarantees to linguistic minorities. Many of these guarantees are found in our federal structure. Unless the world community is prepared to contemplate independence for every ethnic group, federalism is the only answer.

[*Translation*]

The NDP external affairs critic said that the people of Slovenia and Croatia had opted for independence. That is true, but he did not say that Serbs in Croatia, who represent 12 per cent of the population, want to continue to be part of Yugoslavia.

The Secretary of State for External Affairs said that Canada wanted a peaceful, negotiated settlement that would protect minority rights. If I understood correctly, she also said that Canada was opposed to any unilateral border changes. However, her statement does not answer the following question: What guarantees will satisfy the Serbs in Croatia? They want to stay in Yugoslavia.

[*English*]

They showed that they are prepared to fight to remain part of Yugoslavia. I am not saying that Yugoslavia or other countries must remain together for an eternity with boundaries or an ethnic composition that may be artificial. There may have to be and probably will have to be adjustments. Professor Oral Brown of the Department of Political Science at the University of Toronto spoke on October 22 to the Standing Committee on External Affairs. I would like to quote him:

> What we may best be able to do is to try to manage the dissolution of Yugoslavia. This might involve territorial compromises but you cannot have a settlement along purely ethnic lines because geographically it is impossible. So we would have to create some sort of conditions whereby minority rights are guaranteed within states, where there is some adjustment, but there are still minorities.

Note what Professor Brown said. There may have to be some adjustments. This might involve territorial compromise. But he added that we cannot have a settlement along purely ethnic lines because geographically it becomes impossible unless, as I said earlier, we are willing to contemplate independence for every ethnic group or people, or the uprooting of millions of people.

I would remind you, Mr. Speaker, that there are some 30 million ethnic Russians who live outside of the Republic of Russia in the Soviet Union.

If we want to preserve peace, the world community and Canadians will have to promote the idea of federalism. We must deal with the present situation. Many Canadians are dismayed that the world community has not acted decisively in dealing with the war in Yugoslavia.

On September 16 I wrote to the Secretary of State for External Affairs on behalf of a constituent who was and is deeply distressed with the inadequate response of the world community in general and the Canadian government in particular to the conflict in Yugoslavia. This constituent believed that the Government of Canada had not done enough to protest or put an end to the killings of hundreds of Croatians. This constituent is of

Croatian origin and all of her relatives, with the exception of her immediate family, live in Yugoslavia. I too have felt that the world community and Canada has not acted decisively enough. I listened to the remarks earlier this evening of the Secretary of State for External Affairs. She mentioned that Canada was the first country to request a meeting of the Security Council but pointed out that China views this as an internal matter, yet hopes that China will stop in its stand.

In spite of her assurances, I do not see the same resolve that existed a year ago when this House and the government confronted the situation in the Persian Gulf. On October 28, our spokesperson for external affairs, the MP for Winnipeg South Centre, asked the minister whether Canada was prepared to publicly support the call for an economic embargo against Yugoslavia. The minister on that day replied that she was concerned that an economic embargo would hurt the people *et je termine, monsieur le Président*, it intended to help and that an economic embargo is not going to stop the attack on Dubrovnik.

Of course, 11 days later on November 8, Canada joined the European Community in imposing economic sanctions. Why the equivocation? Why not demonstrate to Canadians that the government is indeed pleading for action on a daily basis, as the minister stated in her remarks tonight.

I hope the debate this evening will lead to more forceful, visible actions by our government to put an end to the bloodshed in Yugoslavia.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, I appreciate the opportunity to speak on this emergency motion which deeply touches the heart of anyone who cares for humanity.

For the past five months we have been witness to destruction of greatest infamy taking place in the Republic of Croatia, not Yugoslavia. I said Republic of Croatia because on June 25 of this year, Croatia declared its independence from Yugoslavia and reaffirmed its declaration on October 7 at the expiry of the moratorium on independence.

I did not say Yugoslavia because the Yugoslav federation is no longer a functioning federation entity. The Yugoslav army is out of control. In fact, we know that last September the President of Yugoslavia, Mr. Stipe Mesic, ordered the federal forces to cease engaging the Croatian forces. The army has refused to obey their Commander in Chief, their legally constituted President who heads the eight member presidential committee.

Indeed, the Yugoslav army made death and suffering in Croatia visit us daily on television and in the newspapers, while for others the crisis reaches in to take the lives of family and friends.

People in my riding of Winnipeg North have lost loved ones in Yugoslavia, in Croatia. Canadian youths of Croatian descent have planned to make a voyage to Dubrovnik to lend moral support.

As horrific as the war may be for both sides, Croatia has become a victim and the Yugoslav army the oppressor. The bloodshed and ruin to Croatia, the people, the cities, the country, the spirit, are heinous. It is time for this human bloodshed to halt. It should never have begun. Canada cannot be allowed to stand idly by any longer.

Aside from the large number of people across Canada who have already voiced their concerns over this issue, I have received numerous letters from my constituents in Winnipeg North, expressing distress and asking what the federal government can and is doing to put an end to this situation.

Over 3,000 have died while a hundred times that number are homeless. Today on television I witnessed the surrender of Vukovar, as hundreds of Croatians, shelled for days by Yugoslav army forces, gave up and were marched from their homes. I saw women weeping with babies on their shoulders leaving the city to an unknown future. Croatian defenders dropped their rifles in piles beside the road, leaving themselves at the mercy of the army.

Indeed, thousands of innocent civilians are being wounded as it is always in any war. It was heartbreaking. The demolition of Croatia is truly heartbreaking. The communist dominated army has violated 13 cease-fires already issued by the European Community. It has attacked the entire region along the Dalmatian coast as well as the cities of Dubrovnik, Karlovak, Somobor, Sibenik, Vukovar, Zadar and Zagreb. The vicious attacks on Dubrovnik have been especially devastating. The army has invaded this 14th century city with such onslaught that countless places of worship, hospitals,

schools and architectural wonders have been demolished.

• (2350)

Such cultural annihilation is an absolute breach of international law. Can we permit such unabridged and thorough destruction to run unfettered?

We must make a commitment to Croatians and ensure the presence of Canadian peacekeeping forces under the auspices of the United Nations to aid them in their struggle and bring about a rapid conclusion to this profoundly destructive conflict.

We support a strictly imposed oil embargo as my colleague has earlier indicated to this government, the critic for external affairs, the member for Winnipeg South.

Canada must do more and be directly involved in the search for peace in that part of the world.

As I stand before you, Mr. Speaker, this evening and conclude my debate, I hope the government will recognize not only the severity of the situation but also the need to do more decisively. The colossal human carnage in Croatia must stop. What will we as elected members of Parliament do to stop the war?

Allow me to reflect briefly on recent events and relate them to the tragedy in Croatia. The Baltic states were fighting for freedom and independence; the Croatians are doing the same. The Baltic states were battling to rid themselves of oppressive forces; Croatia has been doing the same. The Baltic states voted overwhelmingly in favour of democracy; Croatia at 94 per cent has done the same.

The 94 per cent of Croatians who opted for freedom, democracy and independence simply cannot be dismissed. Canada must answer the question: Shall we allow Croatia to exist as an autonomous republic which has the right to circumscribe its own political future just as we have done with the Baltic states? This is a soul-searching question that demands an equally soul-searching answer.

My city of Winnipeg has given the answer in a resolution passed on November 6 this year and I quote: "Now therefore be it resolved that the council of the city of Winnipeg on behalf of all citizens of the city recognizes the sovereignty of the people of Croatia and the right to exist free from external threat of force of arms. Be it further resolved that this council by adoption of this resolution calls upon the Prime Minister and the House of Commons to recognize the nation of Croatia and to use all diplomatic means possible to stop further military actions against this nation".

There is no more time to waste. The economic sanctions came in late. Let us now not be too late with the ultimate solution.

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am pleased to have an opportunity to participate in this important debate.

About 12 years ago I was in Yugoslavia with the Governor General of the day, the Right Hon. Ed Schreyer, the Hon. Jean-Luc Pepin, and Mark Rose from the NDP. We were attending the funeral of Marshall Tito. As we waited at the airport to make our way back to Canada we talked about how long it would be before Yugoslavia flew apart. Then when they appointed a president and a council of advisers we again asked how long it would be. Now of course we know the answer. It has taken 12 years for them to break apart.

What we see today in Yugoslavia is the result of a sad and tragic history, a history of distrust, suspicion, recrimination and conflict. Everyone in Croatia and Serbia has bitter memories of the tragic incidents between those two peoples during the Second World War. The communist regime imposed by Marshall Tito at the end of the war did not solve the deep regional and ethnic rivalries. It just kept them under a wrap. Now that Marshall Tito is gone, now that the oppressive system he imposed has lost its grip, the bitter enmity between these two peoples can and is being expressed with a vengeance.

In 1990, when communism was being discarded by the people of eastern Europe, all Yugoslav republics held multi-party elections. Almost without exception, they elected non-communist but strong nationalist governments. Serbia and Montenegro merged nationalism and communism, which they renamed socialism.

After months of unsuccessful negotiations concerning new constitutional arrangements—everything from a confederation to a loose form of associated states—Slo-

venia and Croatia unilaterally declared their independence. That was June 25.

On June 27, the federal Yugoslavian army tried, without the full agreement of the Yugoslav federal government, to assert control over Slovenia's external borders. The Slovenian defence forces fought the federal army in a number of violent clashes.

After talks with federal and republican authorities, representatives of Italy, Luxembourg and the Netherlands announced that the army had agreed to return to their barracks and that two secessionist republics would suspend the implementation of their declarations of independence.

With its failure to take control of the symbols of independence in Slovenia, the army agreed to a cease-fire during a meeting sponsored by the European Community on the island of Brioni on July 7. Eleven days later, the army agreed to withdraw from Slovenia and a team of international cease-fire monitors was deployed in Slovenia to ensure the terms of the Brioni agreement.

A similar pattern of conflict in violence is occurring in Croatia. There are, however, factors which make matters even more complicated than in Slovenia.

When the Croatia nationalist government was elected in May 1990, Serbian groups within Croatia decided to take control of some of the Serbian populated areas of the republic. These groups, now constituted in self-proclaimed Serbian autonomous regions within Croatia, launched an important offensive in July to gain control over larger areas with significant Serbian populations as well as over some other important industrial and transportation sites.

Since then, the Serbians, Croatian and federal governments have negotiated cease-fires, but these cease-fires, as we know, have not worked. They have not worked because Serbia does not completely control the actions of the armed irregular groups in the Serbian controlled parts of Croatia. Croatia does not have the control of all its paramilitary units and the federal army seems to have its own agenda.

I outlined some of this background to the current crisis to show how complicated and tangled the situation is. But it is not the complexity of the situation that we most regret, it is the loss of the life and limb, the wilful destruction of homes and families, the violent settling of accounts, sometimes over issues of situations that are decades if not generations old.

As we in this peaceful country of ours try to work out our own differences, we had better pay attention to the tragedy unfolding in Yugoslavia. Yugoslavia is a painful reminder of the dangers of ethnic and cultural insularity. It is also a reminder of the virtues of tolerance, open-mindedness and flexibility.

Peace, order and good government have been the longstanding principles behind the Canadian Constitution. With the disturbing events in Croatia, Slovenia and Serbia over the past few months, those constitutional principles show the wisdom of the Fathers of Confederation.

I am proud of the way the Prime Minister and the Secretary of State for External Affairs have managed Canada's response to the Yugoslav crisis. Though Canada is far from being a powerful force in central and eastern Europe, we have been at the forefront of international action to support efforts for peace and to provide assistance to the innocent victims of this conflict.

In the Conference on Security and Co-operation in Europe, in NATO and at the United Nations, Canada has been an active player in trying to help resolve this crisis. There will always be those who for one reason or another, usually partisan, say that Canada should be doing more and that we should be giving more. In my opinion, we have already been doing a great deal. We have to be realistic. Ask any Canadian and he or she will tell you that Canada cannot single-handedly resolve this crisis. In fact, I would argue that the European community is best positioned to influence the course of events there. That does not mean that Canada should sit back and do nothing or do little. As a responsible active member of the world community, that would be an abdication of our responsibilities.

It does mean however that we have to use our heads and keep a proper perspective on what it is that we can and should do. What the Prime Minister and the Secretary of State for External Affairs have been doing is working with other like-minded countries, especially the European Community, to bring pressure on those who are using violence to try and resolve the situation and bring relief to those who have been the targets of violence.

One of the frustrating aspects of this whole situation is the notion of sovereignty. For decades, law and practice in the United Nations have argued against any action which could be seen as intervention in the internal affairs of member states, and there are very good reasons for this. But where do we draw the line? How much bloodshed, brutality, oppression and destruction is required before the international community can intervene?

We would all agree that continued and indiscriminate killing and abuse cannot be justified by nationalism. We can also agree that killing and abuse can no more be justified by the notion of sovereignty. We all hope, sir, that this debate has contributed something to the difficulty faced by Yugoslavia and we continue to bend our efforts to do everything we can to see that we can bring peace and take care of the people involved in this terrible conflict to the best of our ability.

The Acting Speaker (Mr. DeBlois): It being twelve o'clock midnight, pursuant to Standing Order 52(12), I declare the motion carried.

[*Translation*]

Mr. Prud'homme: Mr. Speaker, may I simply draw the attention of the House to the fact that more members would have liked to take part in the debate. I am one of them, and I see two more. However, on behalf of my 10 colleagues in the Liberal Party who did take part, I would like to thank you just the same. I simply wanted to make it clear that although some of us did not take part in this debate, it was not because of lack of interest but because according to the schedule for this debate, everything had to be finished by midnight. Since otherwise the consent of the House would be necessary, and I see there is no inclination to give that consent, I wish to thank you and also the hon. —.

The Acting Speaker (Mr. DeBlois): I am reluctant to entertain points of order. At this time, I think that the procedure, well— the parliamentary secretary has the floor.

[*English*]

Mr. Friesen On that same point, Mr. Speaker, I agree with the member for St. Denis that there are many who would like to have spoken. The twelve o'clock hour was an hour agreed to by all three parties, otherwise there would have been many others who would like to have participated on all sides of the House.

[*Translation*]

The Acting Speaker (Mr. DeBlois): This House stands adjourned until later today, at 10 a.m., pursuant to Standing Order 24.

The House adjourned at 12 a.m.

HOUSE OF COMMONS

Tuesday, November 19, 1991

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

COMMITTEES OF THE HOUSE

SCRUTINY OF REGULATIONS—THIRD REPORT OF STANDING COMMITTEE

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have the honour to table the third report of the Standing Committee on the Scrutiny of Regulations.

It is my duty to inform the House that this report contains a resolution pursuant to Standing Order 123 for the disallowance of sections 8, 13, 14 and 15 of the Indian health regulations, chapter 955 of the 1978 Consolidated Regulations of Canada. The text of the section subject to disallowance is included in Appendix A to this report.

Pursuant to Standing Order 35(1), I would like to give a succinct explanation of the procedure here. In the view of the committee the Indian health regulations contain provisions not authorized by the legislation passed by Parliament, as well as provisions that derogate from the Canadian Charter of Rights and Freedoms and the Canadian Bill of Rights.

Furthermore, the joint committee believes these same provisions contravene its scrutiny criterion No. 9 as they trespass unduly on the rights and liberties and its scrutiny criterion No. 10 in that they make the rights and liberties of the person unduly dependent on administrative discretion and are not consistent with the rules of natural justice.

These provisions would authorize government officials to order the arrest, detention and forcible medical treatment of Canadian citizens without judicial authorization.

Other provisions provide officials with an unfettered right of entry into private residences and with the authority to order the destruction of premises without prior notice.

Faced with the reluctance of responsible departments to revoke these regulations, the committee which I have the privilege to chair with Senator Norman Grimard and my colleague, the hon. member for Red Deer, has no choice but to resolve that these regulations be revoked.

JUSTICE AND SOLICITOR GENERAL—THIRD REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Justice and Solicitor General.

In accordance with its order of reference of Friday, October 4, 1991, your committee has considered Bill C-30, an act to amend the Criminal Code concerning mental disorder and to amend the National Defence Act and the Young Offenders Act in consequence thereof, and has agreed to report it with amendments.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

• (1010)

CRIMINAL CODE

MEASURE TO AMEND

Mr. John Reimer (Kitchener) moved for leave to introduce Bill C-324, an act to amend the Criminal Code (firearms).

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Reimer: Mr. Speaker, the purpose of this bill is to send a powerful message of deterrence to anyone thinking of taking a gun along to commit a crime.

This bill would toughen section 85 of the Criminal Code, the section which makes it an offence to use a firearm while committing a crime. The minimum mandatory sentence would be increased from one to five years for a first offence and raised from three to eight years for any subsequent offences.

Under this bill there would be no eligibility for parole. The bill also specifically prevents a mandatory sentence from having any impact on the sentence imposed for the other offence. The bill specifically requires the consent of the provincial Attorney General before any section 85 charge could be withdrawn or plea bargained away.

This idea is not new. It was proposed by former Prime Minister of Canada John Diefenbaker. I have talked to many police chiefs across Canada who are enthusiastic about this bill and wish it well.

The Acting Speaker (Mr. DeBlois): Mr. Reimer moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have three petitions to present today.

The first is on behalf of a number of residents of the city of Kamloops, British Columbia. They urge the government to consider maintaining proper financial support for the Royal Canadian Mounted Police to enable the RCMP to fulfil its mandate and role as the only visible police force for communities across British Columbia and of course remain as a viable symbol of Canadian unity at this critical time in our history.

UNITEL

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have another petition to present.

The petitioners are from a number of western Canadian communities but primarily from British Columbia. They point out a number of concerns regarding the bid by Unitel to compete with Canada's telephone companies in long distance services.

They are concerned about the possibility of increased local costs and ask that the Minister of Communications hold information hearings in our communities before deciding the fate of Canada's telecommunications system. They acknowledge of course that cabinet would have the final decision if there is an appeal.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have a third petition to present on another topic. It is from residents of Kamloops, Vernon, Kelowna and other communities throughout the Okanagan Valley.

They point out their concern regarding a proposal to dam the North Thompson River at Valemount. That is a tributary of the Fraser River. The proponent wants to divert part of the river into the United States and eventually into the San Diego, California area.

They are simply calling upon the Government of Canada to state that it will not permit this project to proceed.

[*Translation*]

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have the honour to present to you and the House of Commons today a petition on education.

[*English*]

I have several petitioners here who point out that the government speaks about learning culture and about competitiveness, but what does it do? There have been cuts of almost half a billion dollars this year. This is quite apart from the impact of the goods and services tax on a number of services and products that the students need, as well as the 3 per cent administrative fee.

They deplore the government's actions and would like to see the government take a pro-active stance and give some leadership.

[*Translation*]

I support this petition and I promise to try to do what I can to help bring it about.

[*English*]

CANADA POST

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, I have a petition signed by over 200 Canadians from Saskatchewan communities such as Gainsborough, Oxbow, Domremy, Shaunavon, Weyburn, Moose Jaw, and Nova Scotia communities such as Wolfville and Falmouth and Westfield, New Brunswick.

These people are saying enough is enough when it comes to the erosion of the rural way of life, particularly the closure of rural post offices.

They are calling on Parliament to support Canada's rural way of life, to support the maintenance of rural post offices and postal services, and to reject the Conservative government's agenda of cutbacks and closures.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall the questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

CANADA PENSION PLAN

MEASURE TO AMEND

The House resumed from Monday, November 18, consideration of the motion of Mr. Bouchard (Roberval) that Bill C-39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act, be read the second time and referred to Legislative Committee B.

The Acting Speaker (Mr. DeBlois): The hon. member for Ottawa South has the floor for 14 minutes.

Mr. John Manley (Ottawa South): Mr. Speaker, as I was about to complete my remarks last night, I was explaining that many people of my generation are afraid that this pension system will not continue until our old age. In fact, I support this bill because it is very important for us to have confidence that when we reach that age, we will be entitled to receive benefits from the pension program.

[*English*]

I think it is essential to the maintenance of the Canadian system of social benefits, the entire network, that all Canadians believe they have a stake in the functioning and the long-term health of each of these programs, be it the Canada Pension Plan, medicare, old age security benefits and so on. The confidence must exist that no matter who you are, where you live in Canada or what your current economic condition is, you can contribute to these plans confident that they will benefit you in the long term as well.

That is the essence of the social contract which historically we as Canadians have been capable of building. I think it is crucial to the ongoing existence of our social programs as part of our framework.

I do want to use this occasion to make some comments, however, about my concerns about the increased reliance at all levels of government on payroll taxes and on other taxes that are not related to profitability as they apply to businesses in Canada.

The Canada Pension Plan of course was established at a time when payroll taxes were very much the exception rather than the rule. We understand that this system of employer—employee contributions to a funded pay as you go plan that is actuarially sound is essentially part of our system. However in the meantime since the 1960s the increased importance of payroll taxes, particularly in Canada compared to the United States, is becoming a problem especially for small and medium sized firms.

A study of taxation for small firms prepared by the Canadian Federation of Independent Business about this time last year entitled *Taxing Ourselves to Death* highlighted this concern. Let me quote from that report, which says that total payroll and local taxes which are not proportional to profitability account for about 30 per cent of the total tax burden for large firms in most jurisdictions, compared to more than 60 per cent for small businesses. Taxation studies in Ontario and five states were part of this study and put small businesses at a serious disadvantage in this respect, especially at times like the present when profits are low.

• (1020)

There are two points here. When you look at the burden of payroll taxes on small firms you have to include, of course, the Canada Pension Plan employer contributions we are discussing in this legislation.

Small firms are also confronted with payroll taxes based on the number of employees and the payrolls they provide with respect to unemployment insurance contributions. We have an indication in this House that the employer contributions are about to be increased significantly as well.

In the provinces there is the imposition of workmen's compensation premiums on firms, again based not on profitability, but on the payroll that is supported by the firm. In several provinces, particularly in Ontario, the cost of the health program is funded by employers through an employer tax. The employer health tax in Ontario is a payroll tax.

Therefore, the combination of all of these taxes, plus municipal tax rates which again are not related to a firm's profitability, impose an onerous burden, especially on small and medium-sized business.

Setting aside municipal taxes for a moment, when you impose heavier payroll taxes what you are essentially doing is encouraging firms to limit the number of people that they employ. In many cases, depending on what an employee's wage level is, it is better for a firm to encourage its existing staff to work overtime, to work longer hours, than to hire a new employee. The moment you bring the new employee through the door, you have an increased tax and paper burden that you have to bear.

Canada at the present time is struggling with unemployment rates well over 10 per cent. We have almost 1.5 million Canadians unemployed. Concerned as I am about the actuarial soundness of the Canada Pension Plan, it seems to me that it would be wise for this or any other government at the provincial level to look for ways to mitigate the burden of payroll taxes at a time when unemployment is such an acute problem.

Second, as the quotation from the Canadian Federation of Independent Business points out, this burden is disproportionately heavy on small and medium-sized firms. For example, if we look at the Ontario Premiers Council study done a couple of years ago at Canada in the world and the need for Canadian firms to compete internationally, the conclusion we have to come to is that we are constantly struggling with the question of how we take our small firms and grow them into medium-sized firms, how we take our medium-sized firms and grow them into large international trading concerns. That should be our objective. The government wants consultation on prosperity. It seems to me that these studies have already been done and that is what they tell us.

If that is what we want to do and if that is what we need to accomplish in order to ensure the continuing prosperity of the people of our country, why would we simultaneously be devising tax systems that negatively affect just the kind of firms we are trying to make grow. We are shooting ourselves in the foot with our continued reliance on payroll taxes as a method of paying our costs as we go along. I wanted to express that concern.

Another concern that I have about the Canada Pension Plan is the use that the fund itself has historically been put to and continues to be put to in Canada. Unlike the province of Quebec that established its own pension fund as part of the Quebec Pension Plan, now operated by the *Caisse de Dépôt* in Quebec, the Canada Pension Plan has used its resources, not to grow them as well as possible, but essentially to lend money at preferred rates to the provinces of Canada. That may have made sense at the time, but when you contrast the effect that the *Caisse de Dépôt* has had in Quebec with what has occurred as a result of the investments made by the Canada Pension Plan, frankly the federal plan comes up short. I think that Quebec has demonstrated to us what a mixed economy can really accomplish.

If you take a government plan, and use it as an engine of growth in the economy, some amazing things can be achieved. The existence and the subsequent growth of many well-established Quebec firms as international competitors is in no small part due to the role that has been played over the last decades by the *Caisse de Dépôt*.

In Canada we have taken the contributions of employers and employees to the Canada Pension Plan, put them aside in a fund and generally loaned the money to provincial governments at slightly less than market rates.

It has been fine for the provincial governments and I suppose the theory is that since the loans are made available in proportion to the contributions made to the plan that really the contributors are benefiting through somewhat lower provincial tax rates at the time the loans are being made.

Since we are here today to discuss the soundness of this plan, you have to wonder whether the kind of mixed policy objective that gives a bit of saving today very indirectly through perhaps a mitigation of provincial taxes is really worth while in the long run when what we should really be doing is saying: "Let's set this fund aside. Let's ensure that it does as well as possibly can be for the benefit of the contributors and the right to entitlement in the future". That seems to me a better approach.

I would urge the government to take it upon itself to look again at some of the basic principles that have been applied in the development of the CPP and its operation over the last two and a half decades and ask some fundamental questions.

Perhaps now is the time to begin moving away from that investment approach and to look to establishing at least a hybrid system in which part of the fund is invested in growth investments to the benefit not only of the contributors and future beneficiaries of the fund but also to the Canadian economy in which investment of this sort could well be used.

We have in Canada a tendency to suffer from a lack of research and development. We have difficulty raising investment capital particularly for Canadian firms that will do a great deal of research and development. Our performance of R and D has lagged behind our major competitors internationally, partly because our economy has been so heavily based upon resources and second, on branch plants, generally branches of U.S. firms which do their research close to head office.

What an opportunity we have with the vast resource that is flowing into the Canada Pension Plan to provide capital for the performance of future looking research and development for the benefit of Canada and also I believe for the benefit ultimately of the contributors and the beneficiaries of the Canada Pension Plan. Why are we not looking at some of these ideas?

My time is completed but I think it is not enough just to pass this legislation and pat ourselves on the back and say: "Fine, we're making the CPP sound for the baby boom generation. They're going to collect it after all". Now is the opportunity to look closely at how we are doing things in this country and question all of the assumptions of the past and look now for ways to do things better and differently.

• (1030)

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I would like to make a comment and direct a question to my hon. friend from Ottawa South.

First I want to congratulate him for his spirited defence of the RRSP regime last evening and I certainly want to associate myself fully with his remarks in that regard.

I feel there is perhaps an omission within Bill C-39. It relates to the plight of disabled Canadians who have contributed, through their earnings, to the Canada Pension Plan fund and who are obliged to leave their employment as a result of the disability but who are unaware of the possibility of receiving a disability pension. Believe it or not, there are still some Canadians in that position. They are unaware of the possibility of securing the benefit themselves and have not heard about it from medical people or from nurses or from friends or from family. By the time they do learn of the opportunity their entitlement is dissolved or has expired as a result of the application of the test of recency rules which I think require that a person contribute two of the last three years, five of the last ten. If the disabled person has not applied for CPP in that timeframe they simply are out of the picture.

Bill C-39 goes part way. It gives an opportunity to those people who could not apply as a direct result of their incapacity to have an application made for them. Then in the discretion of the minister the application can, in essence, be backdated to the time of the disability. However, that is only for people who are under an incapacity.

I have a concern about those other Canadians who are genuinely disabled but who simply did not know about the availability of the disability pension. I wonder if my hon. friend would be supportive of an amendment to try to open up this provision of the act to enable those few Canadians who were unaware of their opportunity to have the right to have their application backdated.

Mr. Manley: Mr. Speaker, this is a matter that has arisen also in my experience of constituency work. There have been individuals who either were unaware, or for whatever reason, did not get their applications filed in a timely fashion. I have always thought that the CPP rules were strangely arbitrary when you compare them, for example, to the rules which apply to veterans benefits. The administration of veterans disability programs has been exceedingly generous in allowing veterans to come forward to make disability claims many years after war service, upon demonstration of medical evidence that the injuries suffered were as a result of war service.

Another incongruity, for example, is between the disability provisions of CPP and those of the government's own superannuation plans. I have encountered situations where people were approved for superannuation disability benefits but not for CPP benefits, although you would think the payer is essentially the same entity and the tests of eligibility should correspond.

It seems to me that an extension of a rigid time formula that restricts people from what they are entitled to receive is not a fair way to administer the plan. The only benefit of a time limit is the ability to evaluate the evidence and that can be overcome provided there are conditions imposed which ensure that when a person makes a claim, their claim relates to a disability that arose during the time of eligibility. It is simply a bridging mechanism to allow people to backdate their claims upon satisfactory evidence of when the disability arose. So I would support that notion entirely.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I would like to spend the first part of my time in addressing the general aspects of Bill C-39 which I support. I would like to spend the latter part of my time in pointing out where I think some improvements might in fact be made.

Bill C-39 proposes a number of changes to the Canada Pension Plan. I think the most significant of them is the one to ensure the long-term stability of the plan and to increase the amount of the children's benefits. The opportunity to discuss the social safety net and the position of the Canada Pension Plan in that net is always welcomed.

The Canada Pension Plan is a program which has in the past served Canadians very well. I believe it will continue to do so in the future. It is a key component of the retirement income system in the country. Along with other elements of the pension benefits system, it has been a part of pension reform in recent years.

The first tier or level of the retirement income system in Canada is the Old Age Security Program, which provides the basic old age pension to seniors. It also includes the income tested guaranteed income supplement for low income pensioners, the income tested spousal allowance for 60 to 64 year old spouses of pensioners, and the allowance for widowed spouses for all low income widowed persons in this near elderly group.

In short, the OAS program provides a minimum income guarantee to more than 3.1 million senior citizens in this country. Of these, 1.4 million are also receiving the GIS low income supplement.

The second tier of the retirement system in this country is the Canada Pension Plan. This not only provides retirement income but also includes income protection for plan members and their dependent families in the event of disability and/or death.

The Canada Pension Plan plays a key role in providing a limited replacement of earnings for employed and self-employed earners up to a ceiling related to the average wage. In 1991 almost 1.9 million Canadians are receiving retirement pensions under the CPP. Another 600,000 are receiving similar benefits under the companion Quebec Pension Plan.

The third tier of Canada's retirement income system is composed of private sector arrangements which include employer sponsored pension and insurance plans, RRSPs and other private savings and investments.

One of the thrusts of this government has been to try to encourage greater self-reliance among all Canadians. It is for that reason the government has encouraged the use of private investment vehicles and particularly registered retirement savings plans. RRSPs have been available for a number of years and the proportion of Canadian workers contributing to them has increased significantly in recent years.

To support the personal retirement income objectives of Canadians further the government has made changes to the Income Tax Act effective with the 1991 taxation year. This allows for increases in the cash limits for tax deductible RRSP contributions. For example, in 1991 the RRSP limit is $11,500 or 18 per cent of eligible earnings, whichever is the lesser.

With respect to the Old Age Security Program I think it is commendable that despite the difficult financial circumstances and the requirement to pay so much in the way of service charges on the accumulated national debt the benefit payments under this program including the GIS and the spousal and widowed person's allowances have remained fully indexed.

In 1989 the government did introduce the tax back of Old Age Security benefits as part of its deficit reduction strategy, but this taxing back applies only to those Canadians with taxable income in excess of $50,000. The phase-out takes place in those income levels between $50,000 and $75,000 of taxable income.

In 1984 the maximum GIS rate for single pensioners was increased by $50 a month. Another major policy initiative under the OAS program was the introduction of the allowance for widowed spouses in 1985.

• (1040)

It is also important to point out that the low income elderly were protected from any adverse impact of the goods and services tax introduced this year. Not only were the monthly GIS payments to these pensioners fully indexed, but GIS recipients also received the quarterly GST credit.

The Canada Pension Plan back in 1987 was the subject of a number of major amendments. It included a provision for flexible retirement which allowed CPP members to take actuarially adjusted retirement pensions at any time from ages 60 to 70. There was also the introduction of the pension sharing provision between spouses which allowed for the sharing of retirement pensions earned by each spouse during the marriage.

There was also the introduction of the comprehensive financing agenda which will ensure the plan's long-term solvency. Today we are seeing the effective application of this provision in the financing amendments which are at the heart of this bill.

Other improvements at the time included expansion of the credit splitting provisions of the plan and a substantial increase in disability benefits.

What is referred to by the minister as a minor amendment is an important one. What it would do is protect the rights of those incapacitated contributors who cannot act on their own behalf and thus may not have applied in time for any Canada Pension Plan benefit. The indication is that this class of amendment has a minimal effect on cost but would clarify legislation, simplify its application and allow payment of benefits where eligibility is not currently possible.

It is in this area that I believe strongly that some improvements could be made to the bill. In this country there are several hundred and perhaps several thousand Canadians who contributed during the course of their employment to the Canada Pension Plan and had to leave their employment as a result of physical or mental disability.

Despite all of the elaborate devices for notification and despite the fact that most of us would view that eligibility as common knowledge, the fact nevertheless remains that there are some Canadians who would qualify for the disability pension but simply did not apply in time. They have therefore been denied the opportunity to receive the kind of coverage which they deserve, to which they are entitled and for which they paid through their contributions.

I am going to take the liberty of referring once again in this House to a particular constituent of mine who has kindly authorized me to use her name. She is Mrs. Donna Sinclair of Swift Current, Saskatchewan. I suspect the situation of Mrs. Sinclair is similar to that of a number of other Canadians who should be able to participate and who should be able to receive a disability pension.

Mrs. Sinclair paid into the Canada Pension Plan from its inception back in 1966. She paid in for 11 of the 13 years between 1966 and 1978. She became disabled through diabetes. It is pretty clear that it was a disability. Unfortunately one of her legs was amputated in 1978. This precluded her further ability to work. Somehow it was not until 1987 some eight or nine years later that she became aware of the fact that she may well have been entitled to a disability pension. At that time she applied and she was barred by the test of recency rules which were alluded to previously.

Despite the fact that during her working time she had contributed 11 out of 13 years and had worked pretty well continuously, she became eligible because of the passage of time and because she did not know that she became eligible. No one had brought it to her attention. I think members on all sides have a handful of these situations. I believe it is a situation that cries out for redress.

It is not that it has not been mentioned before. I believe it has been raised in this House on a number of occasions. I know that it was raised during the adjournment debate in October 1989 when I referred specifically to Mrs. Sinclair's case. At that time the response of the parliamentary secretary to the minister was that the hon. member knew that his request to open the act to make amendments involved a process which was complex and required considerable time. Major changes to the CPP require the approval of two-thirds of the provinces having two-thirds of the Canadian population as well as the approval of Parliament. However he says: "I assure the hon. member that should the act be reopened his recommendations will be taken into consideration". That was in October 1989.

In June 1989 a question was put to the then Minister of National Health and Welfare. He indicated among other things that the government had no current intention of reopening the Canada Pension Plan Act but that should that arise they would certainly take into consideration the recommendations of the hon. gentleman.

In the meantime it is obvious that the act has been reopened. Presumably there have been discussions with the provinces. I am not sure what has happened to the plight of these people. I do not think there are a great many of them but I believe their situation cries out for redress.

There was a report made to the Minister of National Health and Welfare by the Canada Pension Plan Advisory Board in May 1990. That advisory body did make a statement in its wisdom. It is not a lengthy report. It is just six pages in length. The matter of the late applications was dealt with very briefly. I quote from page 4:

> Given that the disability benefit is intended to replace lost earnings, that the recency retroactivity provisions are generous and that most individuals apply within the time allowed, the committee did not see that there was any need to liberalize the provisions.

With the greatest respect I find myself in disagreement with this conclusion. The fact that most individuals apply within the time allowed certainly does not solve the problem for those who through no fault of their own simply did not know about the opportunity and did not apply. It seems to me that the whole thrust of our social safety net is to ensure a certain level of income for people who have contributed. This woman and many others in her position have contributed to the system, and I think are deserving of receiving benefits from it.

I want to congratulate the government for acting on one of the recommendations, that the act be amended to grant late applicants the right to appeal on the basis they were incapable of applying for the disability benefit within the normal time limit. That is certainly beyond question. The person may have been unable to apply because of a mental incapacity. Perhaps they were in a coma or whatever. Clearly someone ought to be able to apply on their behalf. I think that Canadians would find that fair and reasonable.

I suggest that the same consideration should be granted to all of those disabled Canadians who were disabled at the time of leaving their employment. In fact they left their employment as a result of the disability and simply did not know about the opportunity. Through the passage of time and the application of these test of recency rules they became ineligible. I think the situation cries out for attention and I see no better time than the present. What I want to do is urge the government to consider an amendment. Failing that I want to encourage the committee to entertain an amendment to widen this provision to allow for retroactivity in terms of application.

I do not believe for a moment that the number of Canadians involved are large but I think that the need of those particular people certainly is great. They have paid into the plan and there is absolutely no reason why they should not be entitled to be able to qualify upon the appropriate proof.

To return again to the Sinclair case, I might add that I believe this government did make a procedural change in 1985 which resulted in notice going out to potential Canada Pension Plan applicants advising them of their rights and advising them of the opportunity. Unfortunately, this was not in existence prior to 1985. So there was no way that these people would know other than I

guess through the work place, through advice from neighbours, friends, medical people and so on. In spite of a fairly elaborate system of notice, it is clear that there are still people who fall through the cracks, if you like, people who would otherwise qualify but for the passage of time. I would again like to strongly urge the consideration of this House on an amendment in that regard.

• (1050)

I should point out that the suggestion has been made that that the matter could be dealt with through Private Members' Business, but with all due respect, I think not. Several members have had bills and motions in the hopper, but as you know, Mr. Speaker, it is a bit of a game of chance. They may or may not be drawn for debate. They may or may not receive five hours of attention. They may or may not come to a vote.

I commend the hon. member for Don Valley East who has Bill C-280 on the table at the present time which would at least widen the opportunity for disabled people to apply. It would I believe lengthen the time and change the test of recency rules. The likelihood of that coming forward into a votable position is slim.

I think the time to deal with this matter is now. It is in front of the House and I detect sympathy on all sides for the position. It is not a big ticket item in terms of finances and I believe it calls for attention.

I would just like to conclude my remarks by saying that on balance, certainly I find the bill to be commendable and supportable. The increase in the child benefits is I think laudable. Making the Canada Pension Plan fiscally sound in future years I think is an absolute necessity.

All in all, I commend the minister for bringing forward these amendments but with the addendum that I think the matter of disabled Canadians does need attention. I do not think it is enough just to say that those who are incapacitated and incapable of making an application should be considered. I think all of those Canadians who were disabled, left their work as a result of disability, paid into the system, should have the opportunity to benefit by it.

Hon. Alan Redway (Don Valley East): Mr. Speaker, I thank the hon. member for his kind comments about my Private Member's Bill C-280, and also to thank him very much for his remarks indicating that he feels this particular bill, C-39, should be amended to include those provisions relating to the limitation period on disability pensions under the Canada Pension Plan. He and I have had a great many difficulties raised with us by constituents and I know all members of the House have as well.

I was interested particularly in his remarks that he had been told that when the bill was reopened this provision would be dealt with, the limitation period on disability pensions. I was told that same thing back in 1985. The hon. member was told in 1989. Just recently I was told again that the next time there was another round of Canada Pension Plan amendments, the government would be pleased to put this forward and this time finally deal with it.

I understand that my office was contacted just this morning and the staff of the minister is going to be meeting with me tomorrow. I am sure they will be urging me again to wait for the next round. I do not think that is good enough, especially after seven or eight years of waiting now.

I want to ask the hon. member if he believes that one of the reasons that Canadians have lost confidence in politicians, have lost confidence in members of Parliament and have lost confidence in government is because of situations like this where all of us are inclined to listen to departmental staff, listen to ministers' staffs, wait, wait, wait for things that never come about, things which then the staff says were the fault of some other minister's staff and not their fault, just wait until the next time and things will be different. Does the hon. member agree with me that this is one of the Bbig reasons why Canadians are losing confidence with the political process?

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, it is hard to disagree with the position put by my colleague from Don Valley East.

I think part of the problem is that governments tend to do the big ticket items quite well, but there are a number of the little things that perhaps are left aside or are not considered important enough or perhaps fall in the cracks.

The number of people who would be affected by this minor amendment to the Canada Pension Plan legislation is probably in the hundreds or perhaps a few thousand. It is not a big ticket item at all. I think all that is required is the will to bring it forward for discussion.

It may well be that in a succession of ministers, that Mr. Epp, Mr. Beatty and, of course, our present minister, and I do not particularly fault them, but ministers come and go, members of Parliament come and go, but I think that bureaucracy tends to stay. They are the people who wrote the speeches and wrote the responses for the parliamentary secretary and said: "Yes, it will be dealt with". They are the ones who are here on an ongoing basis. But the fact is that when it comes time they, for whatever reasons, apparently choose not to deal with it.

I agree with the hon. member that putting it off is not good enough. I strongly urge members on all sides to seize this opportunity now in order to redress this problem. If it is not done now, it is quite clear that it will be put off again and again and again. The bureaucracy may view it as something small and it does not matter, there are only a few hundred people and it is not that important, but for those few hundred people it is awfully important. I think for Canadians generally it is important that the principles and the integrity of our social safety net be insured and that those benefits be available for all. It is not good enough for the bureaucrats and for the departmental people to hide out behind the regulations.

Just with reference to Mrs. Sinclair and her case that I mentioned earlier in my remarks, the fact is that she did appeal the denial, as is her right, to a tribunal composed of three people, the government representative, her own representative and a chairperson. Indeed those three people earlier this year unanimously said: "Yes, of course this woman should qualify." They cited charter reasons and they cited simple justice, if you like. But, of course, the departmental people, the bureaucrats in their wisdom have seen fit to appeal this. It is not good enough that the lay board said that of course the woman should qualify. Our bureaucrats are out there saying: "Well here is the rule, the test of recency, and by gosh the fact that you paid in and the fact that you are disabled and the fact that you need this means not a damn thing".

It is pretty clear that the bureaucrats are going to say: "Well here is this Pension Plan Advisory Board report and there is this problem, budgetary problems and all the rest of it". They will find a million excuses, but the fact remains that there is a woman out there, I guess there are hundreds of Canadians out there who have paid in, are disabled, have a need, who are entitled and who should receive the benefits. The bureaucrats are not going to get those benefits to them. It is up to the elected representatives of the Canadian people in this place to ensure that it happens.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, speaking of rights, since those who have contributed have developed an inherent right to the plan, whether they are claiming disability benefits or the simple retirement pension plan benefits, would the member agree that as a matter of right, when a contributor has failed to file in time he should not be penalized. The automatic penalty is the interest on the benefits that the contributor has lost, but the inherent right to get those benefits must always be with the contributor and therefore the statutory limit as to the date of application perhaps is archaic and has to be abolished completely.

• (1100)

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I apologize. I didn't realize I was supposed to give the hon. member a chance to ask his question. Now I understand.

[*English*]

The first comment I want to make is that I am a little sensitive to the fact that it is easy for politicians to blame the civil service for lack of action. It is a very convenient scapegoat.

I have some sensitivity there. In fact, I have often said that it is unfortunate that we do not appreciate the quality of the civil servant. Perhaps we do not use them as well as we might in order to get the kinds of things that we want done.

Very often, we fail to articulate what it is that we want done in terms that the civil service can in fact follow up on. I just wanted to make that point because I think that the civil service is too often maligned.

I am pleased to be able to stand in the House today to talk about an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act. What is in fact being done here? First of all, the major goal appears to be one where you want to ensure that there is solvency in this particular plan. I have no particular difficulties with that, but I want to probe it just a bit.

Second, there will be more benefits for children, and I am absolutely delighted. I think it is something that should have happened some time ago. Thank goodness it is about to happen.

There will be some additional provisions, and I applaud that as well, for incapacitated or disabled Canadians. I think there needs to be more work done in that area. At the very least, these Canadians—the others as well—need to know in very clear, simple language what it is that is available to them.

Those particular provisions are often extremely confusing. They are described in language that is not terribly clear. I am not suggesting that people are intentionally doing that. It is a reality and I hope we could come to grips with that.

The notion of credit splitting is something that is past due. I am pleased that this is in fact happening now. I think it is a positive measure. Of course, there is administrative streamlining.

While I see that as a potential benefit, I am always a little suspicious that when we administratively streamline something there may be some other motivation there, for example, to see whether or not we can move funds about from one program to another. If it is to save money but not at the expense of Canadians that need it, then I applaud it. If it has additional motivations, then I am not at all pleased.

Let me address the question of solvency because I think it is an extremely important one. In fact, it appears to be the major goal of the government with respect to this particular project. It is to ensure that this particular plan will be self-sufficient, that there will not be any deficits and that it will be able to pay for itself.

When the government suggests that this needs to be done now, it gives three reasons. It is because, it says, of declining birth rates, diminishing worker productivity and early retirement. These are all realities, but at the same time it does not go any further and I am not surprised.

It has not talked about the unemployed people in Canada, the almost 1.5 million who are not in a position to be able to contribute to this fund. It has not talked about the difficulties in the economy which has not only created unemployed Canadians, but has also brought about a downsizing to the economy and has given many Canadians very little choice but to take early retirement.

Those are other reasons why this particular program finds itself short of funds. It has in fact been caused in part by the mismanagement of the national economy by the government. I do not say that unkindly. I think if one looks at the facts in a very rational kind of way, one will know that that is exactly true.

I want to review why the government is doing this. It is to ensure the continued good health of the Canada Pension Plan and for the provision of increased benefits for 170,000 children of deceased plan participants and benefits that will grow from $113 to $148 a month. I think that is very positive, and I applaud those measures.

I also want to point out, and I do not do so maliciously, that this is another tax. Whether you like it or not, you, I and many others will have to pay more. Therefore, it is another tax.

An interesting observation was made in February 1991 by Stewart MacLeod of the Thomson News Service. He pointed out that this kind of tax, this kind of user fee, was the third most important source of revenue for government today after income tax and sales tax. You can cloak it in all kinds of neat phrases and what have you, but it is still a tax and it should in fact be admitted that this is so. As I pointed out, it is the third most important source of revenue in Canada today.

The other observation I want make is as follows.

[*Translation*]

We have no guarantees at all that this increase in contribution rates will be enough. No one can guarantee

that. In fact, we realize this increase may not be enough and that there may be further major problems with financing.

As you know, the provinces borrow money at a preferential rate, and they will continue to do so. If we consider the preferential rate enjoyed by the provinces, it is clear this also tends to reduce the amount of money available to the fund and in no way contributes to its stability.

[*English*]

I really feel very strongly that there needs to be an over-all review of this whole plan including this plan in terms of the other social programs available to Canadians. Of course the appropriate question would be why.

Let me quote from an article that I think makes the point most eloquently. It says, and I want to quote it directly: "We believe it is fundamentally wrong that a public pension program set up to cover the entire paid labour force is incapable of producing benefits large enough to keep most of its beneficiaries out of poverty". That is from the pension reform report of the National Council on Welfare of last February.

That is the major issue. This particular pension plan does not address a number of the actual issues that exist in Canada today. Let us talk briefly about that social scene.

[*Translation*]

Right here in Canada, about five million people live in poverty. Most of them are women, and one million are children. We know that today two million Canadians are on welfare, and that 1.8 million Canadians, including a high percentage of children will be fed by food banks. If I remember correctly, the proportion of children and young people is around 40 per cent.

At this very moment, nearly 1.5 million people are unemployed. How will these people be affected by these adjustments?

[*English*]

I think we have to realize that the assumptions have changed since this program was put afoot, since it was set up. Therefore we need to re-examine it right from the very beginning and some of the realities we have to deal with.

For example, there are more early retirements today. Perhaps it is as a result of a faltering economy or changing lifestyles and demographics or combinations thereof. There are fewer births than there were. Immigration patterns have changed. Work force patterns have changed.

Therefore I think it is absolutely essential to look at this particular program to see if it is as sound as it might be, not only from a financial perspective but in terms of responding to the needs of Canadians, and to see how it dovetails, how it fits with the other social programs in Canada so that we can have as effective a program as possible to respond to the real needs of Canadians.

Let me just make a few more points. I think all of us would admit—and I believe all members who have spoken today from all parties have indicated it—that these plans are still not doing a good enough job. They are in fact meeting a lot of needs of a lot of Canadians and that is very important. Surely our purpose in government is to continue to perfect those plans, to ensure that we have removed the glitches, to make them better than what they were and continue to improve upon them.

• (1110)

The question I would like to ask is: Where is the study that has examined all of the various situations which have been brought to the attention of the government and have been referred to in some of the addresses today. They identify some of the real difficulties that Canadians are having. Therefore, where is the response to this study?

[*Translation*]

Unfortunately, there is no such study, and the adjustments being made now, favourable though they may be, fail to focus on the real problems facing Canadians today.

[*English*]

I would have thought that one of the first things we would have done is ensure the solvency of this particular program, that we would have identified Canadians throughout the land who are experiencing difficulties, and that we would have brought about remedial procedures in order to correct those particular limitations. That is sadly lacking and it is really unfortunate. I would hope in the near future that something might be done.

What we really need in Canada is an examination of this plan. We need to examine its fundamental assumptions. We need to come to grips with new realities. We need to look at it in juxtaposition to other programs. We need to make, it seems to me, two commitments that are fundamental. The first commitment is that we want adequate protection for all Canadians who need this kind of assistance. I think all of us would say that. We need to debate openly the amount of protection and the kind of protection that Canadians should enjoy. Of course we need to make a commitment to have solvent plan.

Mr. Speaker, you and I both know that investments today will in fact make sure that happens in the future. However, I am really quite concerned about investments that perhaps do not address the realities of today or tomorrow.

[*Translation*]

Mr. Speaker, perhaps I may give a brief summary. First of all, I welcome certain changes, up to a point. I think financial stability is absolutely essential. I approve of certain administrative changes, but I want to make it quite clear that I hope the purpose of these changes is to simplify procedures, not to take advantage of people or situations.

There are other measures that are excellent, and I am very pleased about that. But I repeat, it is extremely important to take a close look at the real problems I just identified and ensure there is a plan that will deal with these problems. Otherwise we may go on like this for a couple of years, making adjustments here and there without really finding a solution to the real problems the program is expected to deal with.

[*English*]

I am pleased that I have had an opportunity to say a few words about these important changes. Once again I think it is important to re-examine it from the very basis to ensure that it does the job that it needs to do, to examine the assumptions, the new realities, and to come forward with a commitment, a commitment from all parliamentarians that we need to address the financial and real needs of Canadians. We need to do it in a responsible financial kind of way, but that should not prevent us from going forward now.

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, I would like to congratulate my colleague from St. Boniface for a well laid out presentation.

I would like to put on the record that I support the bill in principle first of all because it is attempting to ensure the good health of the Canada Pension Plan. It also has increased the benefits for children of deceased plan participants.

However I do have some concerns like my hon. colleague. I want to mention them and perhaps ask my colleague if he could comment on them. One of the areas of concern is that the citizens of Canada are fed up with paying more taxes. That goes for all classes of society. In this case when we look at increased premiums for the Canada Pension Plan, it is a form of another tax.

I would hope that the committee when it re-examines this bill will look at the impact of increased costs on modest and low income workers.

Another area we forget about quite often is the small business community, the small business sector across Canada that is feeling the pinch now and is faced with many expenses, especially in this time of recession. We see an increase in UIC premiums which again is another form of tax. Now we are talking about increases in Canada Pension Plan premiums. I believe we have to take that into account and make some recommendations to help these special sectors of our Canadian economy.

Another point I would like to make is perhaps one the hon. member did make. I would like him to reinforce it for us. It concerns the management of the fund. I think Canadians have to feel confident that the Canada Pension Plan is a well managed fund. I hope the hon. member would mention additional points on that issue.

I have a personal concern. Since becoming a member of Parliament I have been involved with a number of cases with respect to applications for disability pensions. I find that there seems to be a lack of compassion in the interpretation of the rules, a lack of flexibility, and a lack of definition with regard to the disability criteria clause dealing with prolonged and severe disability. I was

hoping that the government would address this issue in Bill C–39, but I guess it does not intend to do that.

I would also ask my hon. colleague to comment on whether he feels there should be no penalty for early retirement and that there should be no statutory limit on the date of application. I certainly feel very strongly with regard to those two items.

Mr. Duhamel: Mr. Speaker, my colleague has raised a number of questions, and I thank him for each and every one of them.

First of all, turning to the well managed plan, it is absolutely essential. Otherwise we would lose confidence. Of course a loss of confidence is what I think could probably undermine it quite apart from insolvency. We need to ensure that the people managing it are doing so with openness and that the sharing of information is a reality. We as Canadians must have confidence that when the time comes for us and others to retire the situation will be as we have been led to believe it will be. That is a very important point.

I appreciate as well the reference to low and modest income earners and small business people, because it will impact significantly upon them. There is no doubt about that. I think we have to be particularly sensitive to them as well as to the middle class which in a sense is the motor of an economy such as ours. However, it has been so crushed by tax after tax, well over 30 right now, that that motor is not running well. Of course therein lies some of our problems, our economic instability, our unemployment and other kinds of difficulties as well.

The point is well taken. This is another tax. As I mentioned before, this is the third most important source of revenue for governments today. In other words, it raises more money than a number of other sources, only surpassed by income and sales taxes. It is a tax. We can cloak it in whatever kind of language we want, put little ribbons on it or what have you, but it is a tax that will affect all Canadians. Because the tax impositions have been so significant and so numerous during the last few years definitely there is some real concern.

The lack of definitions is a particularly good point as well. The member is quite right. It has perhaps been my greatest challenge as a member of Parliament in terms of cases that I handle. I think it is easy to blame the bureaucracy, but the politicians who are in power know that this is a problem. They should tell the bureaucrats to come up with definitions that they can examine as people who govern and then say whether it is right or wrong or whether they need some additional work done.

I am a little worried about the cop–out that is being exercised here. We know some of those problems. People on the government side know what some of those problems are. Therefore I think it is very important for them to get the people to define, identify the problems, bring forward solutions and then choose them.

I have two other very quick reactions. Turning to no penalty for early retirement, I think that is something we should look at for the entire Canadian population. It would require some additional investments on the part of the worker. I applaud that in a philosophical sense. I would have to look at it very carefully. Certainly I think it should be available for Canadians. I would obviously like to see it solved.

• (1120)

One final point I believe is the question of retroactive benefits. It is one of the problems we have today. I met an 81–year old gentleman who did not know he was entitled to a certain program, and he got retroactive benefits for three years. He could have received them for 15, 16 or more years. I met a war widow who found out that she was entitled to two particular financial programs. She got retroactive benefits for one year in one instance and I think for three years in the other. It does not matter. She had been without that kind of support for 20 years. She had lost her house, raised her children and had a whole lot of difficulties.

I do not think it is fair to say to Canadians who were not aware of this—because some of them are not in a good enough state of health to be aware—that they have to pay the penalty. I think they should be entitled to it.

[*Translation*]

Mr. Alfonso Gagliano (Saint–Léonard): Mr. Speaker, I welcome this opportunity today to take part in the debate on Bill C–39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act.

I would like to start by congratulating more specifically my colleague from Winnipeg North who led off the debate on this bill for the Liberals. He did an excellent job, as always, Mr. Speaker.

Bill C-39, introduced by the Minister of National Health and Welfare, is an ambitious and complex piece of legislation, as pointed out by the hon. member for Winnipeg North, who gave his analysis of the bill while explaining our party's position. Since my speaking time is limited, I would prefer to comment on some of the highlights of this bill.

The purpose of this bill is to make a number of changes in the Canada Pension Plan. The government tells us it has to raise contribution rates for employers and employees to ensure that the Canada Pension Plan fund is maintained at a satisfactory level. According to the government, these changes are intended to improve the financial position of the plan. At the present time, the contribution rate for employers and employees is 4.6 per cent. Under the proposed legislation, the government intends to double this contribution by the year 2011.

Mr. Speaker, you and I are both from the province of Quebec. I represent the riding of Saint-Léonard, and of course we have our own pension plan: the Quebec Pension Plan. However, the changes proposed in this bill will also oblige the Quebec government to raise the contribution rate in its own plan. In fact, I think it has already announced that it intends to do just that. As I was saying, even if we in Quebec do not have the Canada Pension Plan but our own Quebec Pension Plan, what we are doing here will be extremely important for Quebec.

The government is increasing the contribution rate for several reasons. Some of them I support. Of course, we have to ensure the Canada Pension Plan remains financially sound. But here again, and I repeat what I said yesterday in referring to unemployment insurance premiums, we have another tax increase. I agree, this is about the Canada Pension Plan, the Quebec Pension Plan and the Family Allowances Act, not unemployment insurance, but the problem is the same. Every time we raise the contribution rate for the Canada Pension Plan or the Quebec Pension Plan or unemployment insurance, we increase the tax burden on workers and employers. Considering the current state of the economy, such increases are difficult to justify.

The government says that the unemployed do not receive benefits under the plan and are thus not affected by these increases. That is true. But we must not forget that at the same time, the unemployed do not contribute to the plan because the Canada Pension Plan and the Quebec Pension Plan are based on wage earnings.

So those who do not work do not contribute to this program. The present economic situation has not helped the Canada Pension Plan. As the government admitted yesterday, the unemployment insurance fund is running a huge deficit because of the recession. More people are receiving unemployment insurance benefits, but fewer are contributing because the contribution system is based on work. People who do not work do not contribute to the plan and neither do employers so that automatically puts the plan in difficulty.

When the minister tells us that the economic situation is not to blame for higher rates, I do not quite agree with him, because the economic situation has a direct effect on the pension plan.

The Conservative government is responsible for the economic slump. I am not the only one saying that; Canadian leaders have also said so. It is because of the monetary policy, the GST, the free trade treaty with the United States. The government must shoulder its responsibilities. When things go well, the government takes every opportunity to rise in this House to say so. But today it must face up to its responsibilities. It is responsible for having to raise contributions to the Canada and Quebec Pension Plans. The government should have presented Canadians with economic policies to keep these pension funds and the whole economy alive, instead of having so many bankruptcies. The bankruptcy statistics show that it is completely out of control, that unemployment is rising and that we have a financial problem.

I have still not talked about where small and medium-sized businesses fit into this. Imagine what it will do to small and medium-sized businesses. An analysis of all sectors of the economy and of self-employed workers shows that 50 per cent of workers in Canada work in small and medium-sized businesses; 92.7 per cent of the businesses in Canada fit into that category, since they

have fewer than 50 employees; 97.2 of businesses have 100 employees or less.

So when you add the increase that the Minister of National Health and Welfare imposed on us to the 7.1 per cent increase that the Minister of Employment and Immigration announced yesterday for unemployment insurance premiums, you realize that it is a very heavy burden at a time when everyone—workers, employers, small business people—is trying to revive the economy. Everybody is doing all they can to keep at least the existing jobs and to create new ones. We know that small and medium-sized businesses create 80 per cent of the jobs.

Since yesterday the comments from all quarters, management or labour, tell us that this is not the right time—it is time to encourage people to create jobs. If we want to encourage job creation, knowing that small and medium-sized businesses create 80 per cent of our jobs, that is precisely the sector that cannot pay such increases, that cannot afford them. That is why I say the timing is wrong. It is not the right time for an increase.

Of course I must admit that I agree with some things in the bill. For example, Bill C-39 proposes a $35 increase in benefits for dependent children of deceased or disabled contributors. There are some 170,000 children of deceased or disabled contributors in the country and no one can criticize an effort to help them in these difficult times.

• (1130)

Therefore, I do not want to give the impression that I am only criticizing. When the government does good things, I say so and I congratulate them. I also believe, and my colleague from Winnipeg North has said the same thing, as well as all my other colleagues who participated in this debate, that it is not true that the opposition only criticizes the government, because we also point out the good things it does. Unfortunately, the government does not do enough good things.

We are now trying to get out of a recession and it is not by imposing new taxes or by increasing existing ones that we will do that.

As I was saying, this bill has some good points but it is yet another tax at a bad time. The employers and workers of the country are the driving force of our economy, but their purchasing power is continually being eroded, thus keeping our economy in a recession. In 1991 alone, there has been the GST, a 24 per cent increase in unemployment insurance premiums, and many other taxes, duties and fees. There are many hidden taxes. If one wants to apply to the immigration office for a relative to come to Canada, it costs $250 just to open the file. That is another tax.

It all adds up to quite a lot. I for one seriously wonder if the government's advisers really think about it, because the whole monetary policy of the government is aimed at reducing inflation. If we look at what causes inflation and eliminate everything produced, everything necessary, we realize that our inflation is caused by taxes. So on the one hand, the government keeps the dollar and interest rates high—of course now they are coming down, and I agree, but before going down, they went up and we must not forget that. The government brought the dollar and interest rates up and now it is bringing them down. After putting us in an untenable economic situation, it has now started to lower interest rates, yet we have said for a long time that these rates must come down.

Monetary policy was used to bring down inflation, but you cannot do that by penalizing businesses and consumers with taxes, because these taxes only serve to bring the inflation rate up. Therefore, there is a contradiction in the government's economic policies and I hope that advisers and the government itself will look at this situation, will stop taxing Canadians and instead try to help them out of this economic slump. Then we will be able to look at all our social programs to keep them sound, because nobody is opposed to keeping this pension plan healthy.

We of course support this bill in principle, as I said, but we nevertheless want to review it thoroughly in committee in order to find solutions and propose amendments. I also submit to my colleague from Winnipeg North that perhaps we could look at the issue of disability pensions in Canada. I represent the riding of Saint-Léonard and I imagine, Mr. Speaker, that your riding like mine and the ridings of other hon. members across the country have to deal with disability cases. Under our system you must literally be at death's door to be eligible for a disability pension in Canada.

If a young person has a medical problem that keeps him from working, he has a lot of time ahead of him, but if sick or disabled person has reached a certain age there are problems. I remember the case of a 55-year-old man in my riding—at 60 you are eligible for pension plan benefits, even though the amount is reduced—who underwent a major operation and the doctor told him, he was a construction worker: "You will no longer be able to work in construction. You must find lighter work." Less strenuous, Mr. Speaker? How is someone who worked all his life in the construction industry going to find a less strenuous job?

The doctor says in his report that this person is ill and cannot work in the construction industry, but he doesn't say he is unfit to work. Automatically this means he does not qualify for and does not get his disability pension, which creates a very real financial problem for the family. It means he won't be able to keep his children in college or university.

I think we should take this opportunity to consider how we could improve the whole issue of disability and the CPP, because this is very important. I would say that 25 per cent of the cases I have in my riding concern disability pensions. Of course, there are a number of cases of work-related accidents which come under provincial jurisdiction. As I said earlier, in Quebec we have our own Quebec Pension Plan, but if certain changes are made in the federal plan, Quebec's provincial plan will certainly follow suit. In fact, when Quebec made pensions available starting at the age of 60, the federal government had not yet done so but subsequently took Quebec's lead.

As far as we are concerned, at the federal level, we should take a look at the whole issue of disability. This is very important in the kind of society we have today, because when we get a little older, we are told: You can't do your job any more because of an accident or because of illness, but you could work at another job. When you consider how competitive the labour market is today, once you get to be a certain age it is a lot harder. So we should let these people have a disability pension. Some people may be able to do less strenuous work, part time, to help the family budget and keep their children in university or college, since our young people need a good education.

There is a whole series of social programs we have to review and we must do so as soon as possible.

[*English*]

I do not know how much time I have left. I probably have three minutes. I will try to summarize for my English speaking electors and constituents in my riding of St. Leonard even though in Quebec we have our own Quebec Pension Plan.

We are talking here about the Canada Pension Plan and increasing the premiums that employees and employers have to pay. We want to ensure that the Canada Pension Plan or the Quebec plan stays alive for a long time so that when the time comes we can all get our pensions. It is important and I agree that we should make sure that the program is alive and well financed.

Because of the economic situation that we are in I believe that the government should freeze premiums until we are in a better economic situation. The Quebec government has already indicated it will follow and freeze its premiums as well.

Yesterday's announcement of a 7.1 per cent increase in UI premiums will affect small businesses. Ninety per cent of businesses in Canada are small businesses. They will be affected very much. This will definitely not help them get out of the recession and create the jobs that we need so badly to get all the country out of the recession.

I would also like to talk about the disability part of the plan. There are a lot of people who through accident or sickness at age 50 or 55 hear the doctor say: "You cannot do the same work any more. Maybe you can do a light job". Taking into consideration the job market situation, it is very hard for a person of 50 or 55 years to adjust to a change of job when he has a physical disability.

In those cases we should look at the possibilities of allowing those people who are in need and suffering to get a disability pension before the age of 60. Then they can continue to look after their families and children who might be in college or university.

• (1140)

[*Translation*]

Thank you for your patience, Mr. Speaker. I realize my time has expired.

[*English*]

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

An hon. member: On division.

Motion agreed to, bill read the second time and referred to Legislative Committee B.

Mrs. Sparrow: I rise on a point of order, Mr. Speaker. I wonder if I may ask my colleagues in the House if there would be an opportunity to waive the 48-hour notice for the legislative committee to hold its first meeting.

Bill C-39 is going to go to a legislative committee and then the 48 hours puts us at a disadvantage. Potential witnesses that the parties would care to invite must be notified. If there were agreement and if the committee were struck through you, Mr. Speaker, perhaps through a combination of all three parties we could waive the 48-hour notice.

Mr. Gagliano: Mr. Speaker, I will take into consideration the request of the member. Maybe we can have a discussion. There is a possibility that there is no problem, but I think the best way to proceed is through the Whips of the three parties.

Mr. Parker: Mr. Speaker, I would also like to rise with regard to where this bill is going and how we are going to handle it. We have had some discussion. We have discussed it within our caucus and within our committees. We would like to see it go to a legislative committee as recommended. If they prefer to have a discussion with our House leader we have no objection to that.

* * *

TELESAT CANADA REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

Hon. John McDermid (Minister of State (Finance and Privatization)) moved that Bill C-38, an act to provide for the continuance of Telesat Canada under the Canada Business Corporations Act and for the disposal of the shares therein of Her Majesty in right of Canada, be read a second time and referred to Legislative Committee E.

He said: Mr. Speaker, I am pleased today to start debate on Bill C-38, an act that will enable the government to sell its shares in Telesat Canada.

Before speaking on the specifics of the legislation I would like to take a few minutes to discuss the government's privatization program and, within that context, the reason for our decision to sell the government's Telesat shares.

At the outset I think it is important to point out that Telesat Canada is not a Crown corporation. It is a mixed enterprise with public and private ownership. Therefore the sale of the government shares in the company is not technically a privatization of a Crown owned enterprise. However the principles of the privatization program do indeed apply to the proposed divestiture of the government's interests in Telesat.

When this government came to office in 1984 we inherited a fiscal situation that was described as being totally out of control. The deficit in 1984-85 was $38.5 billion. This consisted of $22.4 billion in interest on the accumulated debt to that date and $16.1 billion in operating deficits. In other words the government was spending $16 billion more on programs than it was receiving in revenues.

In contrast to the overspending of previous governments, this government stands for expenditure control and effective money management. Like any household, we realize that if your spending continues to sharply exceed your income, the bills keep piling up. That of course leads to serious financial difficulties.

The citizens of Canada have always known where this government stands on the fundamental issues. That is why they overwhelmingly elected us in 1984 and again in 1988. During this time we have achieved real fiscal progress.

As the February 1991 budget indicated, the deficit this year will be held despite the recession at $30.5 billion. The deficit would be substantially higher had we not through expenditure control turned the $16.1 billion operating deficit which we found in 1984 into a $12.5 billion surplus by fiscal year 1990-91. In other words we collected $12.5 billion more than we spent on programs.

In the next fiscal year, 1992–93, the deficit will fall below $25 billion and that is for the first time in a decade. By 1995–96 the deficit is forecast to decline to the $6 billion level or seven-tenths of one per cent of the Gross Domestic Product. By then the government will no longer be borrowing additional net funds in the financial markets. For the first time in a quarter of a century I might point out it will begin to buy back its bonds and the treasury bills known as that huge accumulated debt.

In pursuing our expenditure control program we have closely examined Crown corporations and other Crown investments. As members will recall the broad parameters of Canada's privatization program were first set out in the 1985 budget. At that time the then Minister of Finance announced our intention to review our inventory of Crown holdings with an eye to privatizing those commercially viable Canadian companies that no longer served a public policy purpose.

[*Translation*]

The time had come for the government to take steps reflecting the changes that had taken place during the past 30 or 40 years in Canada's economic and social infrastructure. As so often happens, the problems and priorities of the past had been dealt with, but new problems had arisen demanding new solutions.

[*English*]

In the past government ownership was a viable way of filling a private sector void protecting technology or contributing to nation building. By 1985 that was no longer the situation in many instances. Canada's economic and social infrastructures were relatively mature. The private sector was in a position to provide services once effectively delivered by the government. Moreover, in many cases the economy had the ability to grow and prosper without intrusive policies such as direct government participation in the economy.

Let me reiterate that the reduced need for Crown corporations to meet public policy goals can lead to a reduced drain on the federal Treasury. Given the fiscal quagmire that we inherited in 1984 and Canadians intense desire for more efficient management of public resources, the fiscal importance of the government's privatization program cannot be overstated.

• (1150)

Furthermore, privatizations will help reduce Canada's financial burden because all net proceeds from the sale of Crown corporations—and I want to make this very clear—all net proceeds from the sale of Crown corporations will go into the debt servicing and reduction account, announced in the February budget and presently enshrined in legislation which is being debated at committee stage.

Although Telesat is not a Crown corporation, it is a company in which the government owns a controlling interest. Now I sit here and I watch the NDP sitting over there shaking their heads. I note that Bob Rae just privatized the Dome the other day. I see even the NDP is privatizing. The members sit over there and shake their heads, yet their brothers in the province are doing just that because they know it is the right thing to do.

Just to educate my hon. friend because obviously he does not know about Telesat, Telesat was set up in 1969 with three classes of shareholders; the government, telecommunications carriers and the public at large. It was not a Crown corporation, it was a mixed enterprise system. However, shares were never sold to the public but it was set up to do that. With the passage of Bill C–38 the government will be in position to sell 53 per cent of Telesat shares. It now owns 49.3 per cent of Telesat shares and 3.7 per cent is held by Canadian National Railways. The net proceeds from the sale of the government's Telesat shares will go to the debt servicing and reduction account. I understand that one of my colleagues in the opposition is asking the definition of net proceeds.

Basically net proceeds are all the money that is left over after the bills are paid. Telesat owes the Government of Canada $30 million. That is on our books and would have to be paid off by the moneys received from the proceeds of the sale, plus there are some legal expenditures and some finance expenditures for advisers on it, which are a minor part of the expenditures. But once those bills are paid, the entire balance goes into the debt reduction fund.

That is one of the things about our privatization program, as a matter of fact, that is different from other countries. For example, in Britain their Crown corporations are not on their books for anything. So every penny realized from a sale of a Crown corporation goes directly into their consolidated revenue fund. However, our situation in Canada is different. When Crown corporations are formed or borrow money from governments, they are put on the books of the government of the day and, of course, those loans, those moneys owing to the government must be repaid to the taxpayers of the

country when a sale takes place. Such as the case with Air Canada and such as the case here with Telesat.

The privatization program, I might point out, Mr. Speaker, also contributes to the growth of the Canadian economy. It does so by freeing up those commercially oriented Crown corporations whose potential for expansion and whose capacity to compete and diversify in an open market economy are stifled through the relative slowness of governmental decision making and through the lack of access to the equity capital markets for funds to help the company grow.

Since we began the privatization program, 20 privatization initiatives have been undertaken and nine entities have been dissolved. As a result of these initiatives, close to 50,000 employees have been transferred from the public to the private sector. In effect, the government's direct participation in the economy has been substantially reduced.

[*Translation*]

Telesat Canada was set up as a mixed enterprise, involving the government and several major communications carriers, with the mission to develop a national satellite telecommunications network. Today we can say: mission accomplished.

[*English*]

Telesat Canada now owns and operates six satellites, provides commercial satellite services and facilities nation-wide, including northern and remote areas of Canada. The company's revenues are derived from leasing satellite capacity to television broadcasting enterprises and telephone companies and through the provision of voice, data and imaging services to business. As well, the company offers international telecommunications consulting services.

In other words, Telesat Canada is a commercial success story and no longer requires government participation to fulfil its public policy role. In fact, continued government participation does not represent an appropriate use of taxpayers' dollars. Moreover, selling the government's Telesat shares will give the company both a stronger incentive and a more flexible means of pursuing its commercial opportunities.

Let me explain that in greater detail because I think it is very important for the people of Canada to understand. The company is subject to growing competition, most notably from domestic terrestrial carriers and Telesat's counterparts in the United States.

In order to compete successfully and retain its share of the market, Telesat must become more innovative, cost effective and efficient. That is why we are proposing to repeal the Telesat Canada Act and sell the government's Telesat shares to a private sector interest. Proceeding in this manner will enable Telesat to obtain access to the private equity capital and leadership that will help it to maintain its position in the marketplace and, of course, continue to provide state of the art services that users are demanding today.

Let me now turn to the key provisions of the legislation. The Telesat Canada reorganization and divestiture bill transfers the common shares of Telesat held by the Minister of Finance, 49.3 per cent as I mentioned earlier, to the Minister of State (Finance and Privatization). It also transfers CN's 3.7 per cent interest in Telesat to the minister and as a result the minister of state will hold 53 per cent, a control block of the shares.

The legislation will authorize the minister to offer the majority block of Telesat shares for sale. CN will receive its proportionate share of the net proceeds from the sale of its shares. The net proceeds from the sale of the government's shares, as I mentioned earlier, will go the debt servicing and reduction account.

The bill also provides that the company be continued under the Canada Business Corporations Act. This will ensure that Telesat will be subject to the same corporate rules as other private business corporations. Upon continuance, the current Telesat Canada Act will be repealed.

I wish to emphasize to my hon. colleagues that under this legislation, no more than 20 per cent of Telesat shares may be owned in total, directly or indirectly, by non-residents of Canada. This will ensure that Telesat will remain Canadian controlled in the future while allowing a reasonable amount of foreign investment in the company. This provision conforms to the government's policy of restricting non-resident ownership in telecommunications carriers to the 20 per cent level.

The government has taken steps through this legislation to ensure that the company cannot be wound up without prior legislative approval. Telesat will also be required as a minimum to continue to establish satellite communications systems and provide satellite based telecommunication services in Canada. In this regard, the company will continue to be regulated as a telecommunications common carrier by the Canadian Radio-Television and Telecommunications Commission, the CRTC.

I briefly mentioned earlier that Telesat Canada provides commercial satellite services and facilities nationwide, including northern and remote areas of Canada. In fact, as a result of government policy, Telesat is the primary vehicle for providing the northern and remote areas of Canada with access to telephone, broadcasting and other telecommunications services which are so important for this vast country.

Accordingly, the government will require Telesat to continue to serve the northern and remote areas of Canada. I would stress that under the Radiocommunications Act, the government has the necessary legislative powers to enforce this policy, which I might add, should not increase Telesat's operating costs. In fact the provision of its services to the northern and remote areas of the country are profitable for Telesat and are unlikely to be abandoned under any scenario.

• (1200)

Returning to the legislation, as I stated, Telesat will continue to be regulated by the CRTC. As well, any transfer of control of Telesat will require prior approval of the CRTC. Similarly, Telesat will be restricted from selling, leasing, lending or otherwise disposing of its property which is integral to the provision of its key services again without the approval of the CRTC.

The CRTC believes that some of Telesat services are offered in sufficiently competitive markets and therefore these services need not be regulated. Therefore this bill gives the CRTC the power to refrain from regulating Telesat's activities where the CRTC is satisfied that the degree of market competition will ensure just and reasonable rates and non-discriminatory service.

Let me give you an example if I might. Satellite dishes are provided both by Telesat and by other many private suppliers. Therefore, the CRTC would not have to ensure the continued supply of these items. I think if any of us drive in any of our communities in any of our constituencies, we see a myriad of dishes of varying sizes and forms for sale. This needs not be regulated by the CRTC, so that of course is provided for in this bill.

It is not intended to circumvent CRTC's power to regulate Telesat—we should make that very clear—or in particular, the company's monopoly activities. I might say that this particular section in the bill is at the request of the CRTC. It feels that if there is competition in the marketplace, it should not be required to regulate one person or one individual supplier while the others are not being regulated. Of course that makes sense.

The government will also take steps to make sure that Telesat will be in an optimal position to supply its satellite services to Canadians. For a minimum of 10 years following the sale of the government's Telesat shares, no other telecommunications carrier will be issued a licence under the Radiocommunications Act to operate fixed satellite facilities in Canada.

This will contribute to a stable business environment for Telesat after the government has sold its shares in the company and is a reasonable approach, given expected traffic levels. It will also help Telesat to better serve the Canadian market and meet its responsibility of providing satellite based services to the northern and remote areas of Canada.

The government's privatization policy gives high priority to respecting the concerns of employees. The sale of the government's shares in Telesat will not affect the existing terms and conditions of employment, including employee pensions.

Also we will require as a condition of sale that the purchaser of Telesat continues the employee's share ownership plan that was implemented by the company in January 1990. I might say in passing that over 60 per cent of the Telesat employees are participating in this plan. It has been very well received by the employees.

Bidders for the government's Telesat shares will also need to state their intentions regarding the use of Canada's two official languages and the maintenance of Telesat's headquarters and operations in the national capital region.

The government recognizes the importance of technology based industries to current and future economic development in Canada. Therefore, consistent with our desire that this important industrial sector continues to thrive, the agreement of purchase and sale will require Telesat to consider Canadian suppliers first and that the Minister of Communications be consulted about any major procurement plans of Telesat.

The divestiture of Telesat will proceed by way of a third party sale which will take place through a competitive bidding process. This will be put into motion following the passage of this bill.

As is standard there will be a first round to identify a short list of serious bidders. That would be followed by a final bidding from which the purchaser will be selected. With the exception of the 20 per cent non-resident ownership limit, there will be no restrictions on who may bid to purchase the government's shares in Telesat Canada. However, consistent with the government's policy of fostering competition within the telecommunications sector, the sale will be subject to the Competition Act.

What this means is that the sale will be reviewed by the director of investigation and research within the Bureau of Competition Policy to ensure that it complies with Canadian competition laws. The sale process will not commence until this bill receives royal assent. To facilitate that process I want to take this opportunity to encourage all interested parties to notify the director at the earliest opportunity of their intention to bid for our shares in Telesat. This will enable the director to identify at an early stage if there are competition issues that need to be addressed. I understand that already the director has been approached by companies interested in bidding. I would encourage others that have not done so to do so.

Our approach to government ownership is pragmatic. We are not divesting ourselves of government holdings because of any ideological biases. Instead we are seeking to rationalize government by divesting those Crown investments where government ownership is no longer necessary to fulfil a public policy purpose and by liberating commercially oriented Crown holdings with an economic potential that is unattainable as long as they remain under public stewardship.

In this respect the sale of the government's shares in Telesat will fully privatize the company. No longer will government officials and nominees sit on its board and no longer will it have to operate within the restrictions of the Telesat Canada Act.

This new freedom to manage its affairs in a fully commercial manner will allow Telesat to exploit fully the exciting opportunities in the rapidly changing telecommunications industry. Anybody who has had the pleasure of visiting the company's headquarters here in the national capital region will be very impressed at the technology that has been developed here in Canada and that is continuing to be developed. I know the member who represents the area where the company is located is in the House today and is very interested in this debate. He is nodding his head in agreement that it is a very exciting place to see. I do not want to start company tours out there or anything, but if people are interested I would certainly recommend that they visit because it is quite an exciting operation.

Finally I would say that a fully privatized Telesat should be able to capitalize on potential new business possibilities with its new owners. I think that goes without saying.

I look forward to the participation of opposition party colleagues in this debate and the ensuing study in committee. I believe that once carefully examined, all parties will see the wisdom of this divestiture, wholeheartedly support this bill and assure its passage in a reasonable period of time.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to address the second reading debate of the Telesat Canada bill. I have listened very carefully to the remarks of the hon. minister. During my remarks I will raise questions with regard to some of the issues he has discussed. I look forward to being able to deal with many of those issues later at committee.

Just what are we doing here now with this bill to privatize Telesat Canada? What is privatization these days?

• (1210)

The field of privatization has actually been around for quite a while. A long time before I got here I think it used to be called divestiture but that was not as nice a word as modern days demanded. At some point we developed the term privatization to take the place of the word divestiture. That coasted along for a little while. Then there was some thought that the word privatization was a little too narrow in focus and that perhaps the word private was not quite right and we developed the term public participation. I guess the term public participation sounded much more appealing to the public and it had a nice ring to it. Some of the other privatization bills that we have been through in this House have used the term public participation.

In this particular bill involving Telesat we do not use the term public participation. We use the term disposal. We may have gone full circle. We are now getting rid of something. The term is not quite so glamorous as the others, but we have to get on with the issue no matter what term we use.

Telesat Canada was founded in 1969 as has been pointed out. I want to bring the attention of the House to the objects that were put in place for Telesat Canada when it was founded. This is a statute of Canada so I suppose I do not have to read on and on. It is fairly short. The objects are to:

> (a) establish satellite telecommunication systems providing on a commercial basis telecommunication services between locations in Canada and, subject to the appropriate intergovernmental arrangements, to and between other locations;
>
> (b) supply, on a commercial basis, satellite telecommunication systems and elements thereof in Canada or elsewhere; and
>
> (c) provide, on a commercial basis, services associated with development, implementation and operation of satellite telecommunication systems and elements thereof in Canada or elsewhere.

I point out the words "or elsewhere" in subsections (b) and (c). Today I gather that Telesat has confined its telecommunications service deliveries to Canada or at least for the Canadian market. But there is another Canadian company that is operating outside Canada carrying Canadian telecommunications internationally.

There is also a section here that requires Telesat Canada to utilize to the extent practicable Canadian research, design, industrial personnel technology and facilities and research and development connected with satellite telecommunication systems. That is quite a mandate. Since 1969 Canada has fostered a lot of development and progress in that field. I think it is fair to say that we have been on the leading edge as a country.

Telesat Canada now maintains six satellites in space. One other satellite was recently leased to an American multinational. It will be going out of service I gather in a relatively short period of time. All of these satellites that are up there will in fact end their useful lives either because of the burn out of the power source or the change in the orbit.

In any event our Anik satellites are doing well now and Telesat Canada is doing well now. Just for the record I would like to make sure that we know what kinds of dollars we are dealing with here. I have three or four useful statistics for reference here. The operating revenues for the last completed report for the financial year 1990 were $177.8 million. The net earnings, which is a simple term for the profit but is not exclusively profit, were $30.4 million. The shareholders' equity, which would be the book value of what the government says the operational entity is worth for all shareholders including the government, is $282.4 million. The equity per common share is $38.45 per share.

The point to be made in looking at all of these statistics and looking back over a few years is that Telesat has prospered. Telesat has done extremely well. It has roughly doubled in its revenue generation in the last five years and it appears to have a strong future in the field.

The government says that it is privatizing or disposing of Telesat for a number of reasons. One of them is that the government has said it has achieved its objectives. I think the minister has probably reiterated that here today. In the documentation accompanying the government's bill is a statement that the government has achieved its objective of encouraging introduction development and the use of satellites in space technology in

the domestic commercial telecommunication sector through its investment in Telesat.

Yes, it has achieved all of those objectives and is continuing to achieve those. But are those the only objectives that Telesat had? In my view there were objectives that went beyond that. It included having a strong government presence in a field where there was previously not enough activity.

Now the government claims to have achieved the domestic objective but surely the challenge of maintaining a strong, vital Canadian presence in this satellite telecommunications sector domestically, if not internationally, remains. Just because we have achieved the initial objective of having a strong presence does not mean the challenge does not continue.

I want to point out that in terms of the business of government, privatization on its own is not stable ground for fostering further government activity. It really does not get any easier in government than selling something. All one must do is bundle it together in a package, as through the Telesat annual report, and sell it. You have the proceeds and everyone thinks you have done a great job. What you are selling is the work of Canadians, the initiative of Canadians, the product of this Parliament and the taxpayers' resources. If it is going to be sold then we want value for our money, but I do not think it is safe to base a privatization simply on ideology.

Sometimes I think that the government listens too intently to some of its friends on the issue of ideology. If we are going to sell a government entity then it should be done for reasons other than simple ideology. It should be done for reasons that are viable in business and based on common sense.

I would note that to sell something purely for ideological reasons is just as bad or dumb as acquiring something for ideological reasons. This was the case with many nationalizations all over the world over the last 50 or 100 years. I do not think ideology has a great role to play in any business enterprise.

The government has stated here that its goal is a healthy market driven telecommunications sector. Now I am curious whether or not the mere fact of this sale by itself will generate this market telecommunications sector. We in this House are going to have to be the judge. We are going to have to judge it in advance because after the entity is sold it is too late.

• (1220)

Telesat Canada has been a monopoly for 22 years and the government has committed to maintaining Telesat as a monopoly for a further 10 years. There is no disrespect intended with respect to the prospective purchasers of these shares in terms of their market orientation. But I want to ask a question. If it is a monopoly now and if it is to continue to be a monopoly for a further 10 years, how much more market driven will this telecommunications sector be than it is now? It is simply a monopoly. The marketplace that purchases the services of Telesat is market driven to be sure, but the monopoly service that is provided is simply a monopoly.

We are just at the time when we know we are entering a domain of global competition. We are just at a time when Canada's industrial sector including the telecommunications sector needs all the help it can get. We need all the government support we can muster to challenge the world. Just at that point in time the government has chosen to bail out of Telesat. I do not know whether the timing is good. I suggest that it may not be. Just when we have to devote all that we possibly can as a nation to making our globally competitive enterprises successful, we are going to unhitch Telesat from our train. It does not mean that Telesat cannot continue doing its commercial work.

I want to raise a question and it is a question we will be dealing with later in debate, I am sure. I wonder whether or not there is more out there for Telesat with government involved.

I want to raise two or three issues with respect to the mechanism of the disposal of the privatization. The minister has discussed for us the issue of section 5(3) net sale proceeds. I have read that several times and I have discussed it with others. The minister has made an attempt to describe how the sale proceeds will be dealt with here. I am not too sure I have it nailed down yet. If the minister is correct, and I am sure he is, then I have another question to follow that as we chase each other around in this shell game. There is a lot of money involved here. He mentioned a figure of $30 million as being what is on the books of the Government of Canada as a loan.

Consider that I had an automobile and I turned that over to an agent and said: "Sell my car". If I bought the car for $5,000 and I made some improvements on it and it was to be sold for $10,000, when the sale was over I would expect to have $10,000 in my pocket. This would be minus the sale expenses. There would be a few sale expenses. There always are. I think that agent would come to me and say: "Here is the $10,000 minus the $500 it cost to sell it". I would say: "Thank you very much. Now I am going to use the money. It is mine, that $9,500".

What the government has said here in section 5(3) of the act is that when this sale is over it is only going to put toward the debt and debt service the net sale proceeds over and above the book value. If the book value is $30 million that is fine. At the end of the day the government is going to get all of the money including the $30 million. The loan that it says is on its books and the money that was extended came out of the Consolidated Revenue Fund many years ago. That was taxpayers' money. I am sure it sits on government books as a loan, but it is an asset of the taxpayer just as the shares of Telesat are an asset of the taxpayer. I do not care whether the money coming back to the government is by the repayment of a loan or by the sale of the shares. All I know is that as a taxpayer I want to see all of the money put toward debt service and debt reduction as the government has said it would.

We need an explanation. If the loose change here or the book value is $30 million, we on this side of the House want to know what happens to that $30 million. I think it ought to go to paying down the debt and/or for debt service.

Another issue raised in the sale is the reference to referring this sale to the competition branch. That sounds pretty good, but I think it may be a red herring. I think it is window dressing. I think it is something that has been inserted into the bill to make the bill look stronger, fairer and better than it really is. I will try and explain why.

The reason why this sale is to be submitted for review under the Competition Act is to determine whether or not there would be "any lessening of competition as a result of the sale". We know that Telesat has had a monopoly for 22 years and we know that it is going to continue to have a monopoly for a further 10 years. I cannot figure out how there could ever be any less competition anyway if it is going to continue as a monopoly.

It would be philosophically and logically impossible for the merger review branch under the Competition Act to find that there would be less competition. There is not any now and there will not be any. I guess what I am trying to say is a zero is a zero is a zero.

There may be elements surrounding telecommunications services that involve competition. In the downstream marketing of the service there may be some aspect of competition there that needs to be studied. We will be able to address that later in our committee review of this bill.

The third item involves section 14 in what we are now calling forbearance. Forbearance is a term generated in the not too distant past to describe the ability of administrative regulators to avoid or forbear or decline to regulate or exercise regulatory powers in a particular area. I gather that the Supreme Court of Canada has indicated that forbearance as a form of deregulation would be acceptable in the legal framework in Canada.

I do not have any problem with what they are saying, but I am sure all members would agree that if the government and/or this Parliament decides that there will or will not be a regulatory framework put in place for good public policy reasons then it should be this Parliament that makes the decision about whether or not the regulatory process should continue. I am not too sure that we want to be allowing the regulators to decide whether or not there should be regulation.

In this particular case and in fairness the government has indicated the criterion on which the regulator can base his decision on whether or not it will continue to regulate, and that means that criterion is the criterion of existing competition. This is the first time I have had to look at this mechanism of forbearance. I will call it back door deregulation. Before we implement it in this House I think we ought to make very sure it is exactly what we want.

• (1230)

Once it is put in place, and should problems develop in the field, Canadians could come back and say: "Wait a minute. We do not like what is happening there". We would have adopted a mechanism and put beyond our

reach at least for a short period of time the public policy regulatory initiative that is in place now.

The government has indicated that after the sale of Telesat it will continue the monopoly that it has now on a public policy basis. In other words, Telesat has the only gain in the satellite business for Canadian domestic telecommunications.

That is not in the bill. It is in the former statute. It is in the 1969 statute that created Telesat. It is not in the disposal of Telesat statute. I am not too sure why it is not there. If it is the government's policy to maintain a monopoly and continue a monopoly that existed in statute because it was put there by the legislators, I do not know why the government would not state that the monopoly would continue for another 10 years or for at least another 10 years.

In any event it is not there in the bill. The bill presumes that the public has made a decision or that this House has made a decision that a monopoly in providing these services is no longer necessary. I certainly have not come to that conclusion. There was a recent study commissioned by the government which discussed the issue of monopoly in telecommunication services. It referred to a period of a further five years. However that is an issue that my colleagues and I want to look more closely at before we are comfortable with all the provisions of this bill.

I want to raise a question in relation to the future of Telesat. It is really just conjecture, but we must recall that the only reason Telesat is there now is because there was a joint venture between the government and the private sector in 1969 or thereabouts. That is why it is there. Those are its roots and that is why it is thriving with its monopoly.

I can only speculate but I am curious about what will happen when the hardware that is up there now is finished. The satellites all have a useful life. I do not think any of them go beyond 10 years. I think eight years is one figure I read for the two current Anik-E satellites that were recently launched.

What happens when their orbits deteriorate or when they burn out? Will there be sufficient entrepreneurial initiative, with Telesat or whatever, to put up more Canadian satellites? I do not know that. There was not in 1969.

I know that the people who manage and run and give life to Telesat are professionals and business people. There are investors who have capital at stake. They are all large players such as Bell Canada, Telecom. There are some other investors as well.

Will there be the entrepreneurial initiative at that time to put up new satellites once the satellites have all gone their way? I do not have an answer to that, but I do know that there may well be competition which is not a bad thing. It is probably a good thing but the competition will be intense. It will come from countries like France, Japan and the United States as well as other countries whose governments continue to play a working role in telecommunications and in the business organization of space. I am not so sure that Canada ought to be pulling out. I have already made this point. I ask the question which we can continue to debate, and we will certainly ask the question at committee.

A fourth item related to the process of the sale is the commitment by the government to ensure the fostering of Canadian technology after the sale. It has described its commitment two separate ways in the documentation accompanying the bill. There is absolutely no reference to fostering Canadian technology in the bill itself.

Having pointed that out, I also want to recall for the House, because I have read it into the record, that the initial Telesat Canada bill did precisely that. It mandated the corporation to foster Canadian technology and information in that field. The first statement is that the government will require first consideration be given to Canadian suppliers. The other statement is that Telesat will have to use best efforts to buy from Canadian suppliers.

Maybe I am being too technical but first consideration and best efforts are two different mechanisms, two different standards. When those two different standards are held out in a framework where there is no statutory mandate, no requirement at all, I am curious exactly what Telesat is going to be asked to do.

Telesat will be composed of business people who will want to go out and cut good deals for their corporation. That is what their job is. That is what they are going to do. I am sure that they will not want to have their hands tied all the time in the way they make their purchases. They will want to buy good components and good information for good prices.

If the government is saying to us that it will insist that Telesat do this and if it is telling us by two different means what it wants, then the message when it is finally put to Telesat is going to be fuzzy. I think we would want to nail down that standard.

I would prefer to see something in the bill itself. As it stands now I think we can all acknowledge that what is there now in terms of commitment is not a promise. It really is not a commitment. It is a wish by the government that Telesat do that. I think that Canadians may want Telesat to do more than just want to buy Canadian or want to foster. I think we want to make sure that this area of telecommunications, where we are involved in the leading edge, is one that we remain strong in globally.

The last item has to do with access to the information after the sale. The government is going to make a decision about the bidding process. This is going to be a bidding process for these shares. It will not be a sale to the public through a stock market or through brokers. It will in fact be a process involving bids by parties that want to buy all or a part of the portion of Telesat that is for sale, slightly more than 53 per cent.

For those of us in this House who care about what happens to the taxpayers' dollars, and I know we all do, I know that when the sale is over we want to see where the money came in and where it went after that. We want to know how much was paid and if there was cash or something else as consideration.

• (1240)

We want to know what the other consideration for the purchase was. If it is as simple as cash that is great; it is easier to count. The Auditor General is very good at counting. The only issue then is the one I raised earlier involving the disposition of those moneys, which are now counted as being book values for the government.

I note that after the sale of de Havilland aircraft to Boeing we in this House have not to date been given all of the financial details. The sale was accomplished by means of a Governor in Council order, that is a statutory instrument. It is in fact a law of Canada.

I want to point out that I sit on a committee that has asked for that statutory instrument, that Order in Council, and the government has said that we cannot have it. We cannot have it because it was passed in cabinet. That is a very serious problem. That is part of another agenda in another part of Parliament and is ongoing. However I do not think it is right. I know it is wrong for a government to sell an asset and when the legislators, the parliamentarians, ask what the terms of the deal were, how the money was moved around, the government says it is sorry but it cannot tell us.

There may be elements of commercial confidentiality involved in some of these transactions. Surely the government can find a way to deal with the commercial confidentiality. Members of this House certainly will want to do that. As I say that is another issue. But as we proceed with this privatization I rhetorically ask a question. When the financial details of this sale are complete six months or a year from now, if some member or a committee of this House asks what happened in this sale, where did the money go, how was it moved around, what were the terms, is the government going to say it is sorry but it cannot tell us? I hope not.

The record is not good. There are other issues like cabinet confidentiality that have to be taken into account here. I know this is going to be dealt with later. I raise it now so that as the minister prepares for whatever happens in cabinet he will take into account the fact that the members of this House are going to want to know what happened. It is only a matter of time before the question is asked.

I want to conclude. I began by discussing the role of ideology in some of the areas of privatization, not just in Canada but around the world. Eastern Europe is one area where there is a lot of privatizing going on. But there is privatizing going on even in communist states such as the Peoples Republic of China. It is helping to generate increased economic activity, market driven economic activity, where previously there was virtually none if we exclude the black market.

We have accomplished a great deal in this country, in North America and around the world, through ongoing government participation in large enterprises. Our world did not put men in space; the private sector did that. In every case man's space exploration involved a government commitment and participation. That happened in the U.S.A. That happened in the U.S.S.R. That happens in France now. Every single initiative has a government relationship behind it, and pardon the pun but that is what made it fly.

I do not think we should ever lose sight of the fact that government involvement in a mixed economy, in entrepreneurial initiatives, is not a bad thing.

I cannot wait to see the great rush of politicians to address and support the proposed high speed train from Quebec to Windsor in that corridor. I know it is a sleeper out there. I think there will be some proposals coming forward, but I will bet dollars to doughnuts there will be a mile long of politicians ready to jump in and pitch a piece of that high speed train technology and the enterprise. I do not mind that one bit. I am just saying: let us not assume that the only way we can go here is by selling off, privatizing, getting out of the business world. We have a mixed economy and we have to recognize it.

This government has a role to play in fostering all Canadian enterprise directly and indirectly, through involvement and non-involvement. It has to get on with it and knows it.

In terms of our general support for this bill, I have already raised a number of questions we believe are significant. We are in a position where we cannot support the bill at this time. We must withhold our support until we have good answers to all or most of these questions. On that basis we are not able to support the bill in principle at this time.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, it is good to have the opportunity to address this particular telecommunications issue.

I want to say first off, speaking on behalf of my New Democratic colleagues, that we have not taken an ideological approach in determining our support or lack of support for this particular piece of legislation. We look at it in terms of a pragmatic policy framework with respect to the issues of whether or not it makes sense in terms of cost recovery, in terms of the consumers' interests, and with respect to the development of future public policy initiatives.

In some aspects the privatization of Telesat may provide some benefits. I know, for example, right now that the industry is in deep difficulty with respect to the financial resources that can be set aside for research and development. Not much is going on there. It simply does not have the capacity to do so. A privatized industry may free up some of the initiatives to assist in that and I recognize that. But I think we have to look at it in addressing whether or not this process of privatization, be it good or bad, is in fact appropriate for today.

I want to present three reasons why I think Telesat Canada should not be privatized, at least not at this time. First of all, in Canada we have a telecommunications policy that is virtually non-existent. We are sadly lacking in terms of an updated policy framework that we can take some philosophic direction from with respect to the whole question of whether or not this industry should be deregulated, privatized, et cetera. We really do not have that policy framework in place. Without this policy framework, this direction, we cannot really tell whether the privatization of Telesat Canada is in fact going to be in the long run beneficial or detrimental to Canada's interests.

Second, I want to address some of the financial aspects of this privatization. Telesat today is not in as attractive a position as it was a couple of years ago for the process of privatization to take place. Today it has a very high debt capital ratio. Without higher rates, which it has not been able to obtain through the CRTC, it is projected that Telesat Canada is going to lose money over the next few years.

• (1250)

It does not look good in terms of market opportunity for the disposal of these Crown assets, the 53 per cent controlling interest that Canada has in Telesat. I want to go into that in more detail.

The third point is the fact that Telesat Canada is this country's only domestic satellite telecommunication system for broadcasting, data and telephone transmission. The question remains that because it is our only domestic system, should Canada with a vested interest in this corporate entity be relinquishing its controlling interest? I think that is a very pertinent question to ask.

I want to return in more detail to each of these points that I have made. I want to touch first upon the lack of a definitive telecommunications policy in Canada. As I mentioned there is currently no federal policy on telecommunications, and yet the government is proceeding on an almost *ad hoc* basis through its process of privatization. One would think it is being driven by an ideological approach to try to sell off as many Crown assets as possible. There is no federal policy in telecommunica-

tions and yet we are going to sell off this very vital and important asset.

It is our satellite link to northern and remote areas of this country. It allows Canadians to see themselves through their own eyes. I have some serious reservations as to whether or not we should be relinquishing our window of opportunity in that industry.

Areas of Canada north of the 55th parallel depend almost entirely on satellite telecommunications for receiving long distance signals. Telesat carries virtually all the regional, interprovincial and national radio and television in Canada for our northern and more isolated communities. Eldon Thompson, president of Telesat Canada, said recently: "Given the sparse population of our country and our very difficult terrain and sometimes hostile climate, the Canadian telecommunications system has become vital to both the economic and social affairs of our country and our citizens". I think that everybody would agree with that statement. It is a very appropriate one. That is what makes the whole question of whether or not we should be relinquishing our control of this industry even more vital.

It said in the press release that it is the policy of the federal government that Telesat will be "required to follow the current government policy of providing the northern and remote areas of Canada with access to telephone, broadcasting and other communications services". That is not in the bill. I find the lack of this specific initiative, the fact that it is not in the bill, to be quite troublesome.

Policy is set by the government of the day. Policy can be changed easily as governments are changed. The question is: What guarantee do our northern and isolated communities have that the policy will not change? Without the benefit of an active Parliament, northern and remote areas could in fact lose their essential satellite services. This is reflected in Mr. Thompson's statement that I have just quoted. It is not in the bill. It is a sad oversight that the bill does not in fact entrench this requirement.

Although the Minister of Communications has said there is no special cost in providing service to northern and remote areas, no one really knows what the lay of the land is going to be in terms of our technological future, even five or six years from now. Will that have an effect on our ability to provide this northern and remote service?

I would like to quote what the president of Telesat said just recently in committee hearings. He was reflecting on the fact that in 1997 the company may not be making money. He was talking about replacements for the hardware, the satellites, and said:

> When we get to 1997 and we have to commission replacements for them, the shareholders may decide they cannot afford them or they will build something very small to carry voice and data traffic for the north only.

I think that outlines a very legitimate concern. The cash flow projections for Telesat over the next decade are not terribly healthy. What happens when they have to commission the cost of a new satellite and they do not have the operating funds to do so? What happens when there is no statutory requirement through this current legislation to entrench the necessity for the provision of northern remote services? It may very well be sacrificed or trimmed down quite significantly.

Does this mean that the north and remote areas of Canada, which are the bulk of the land mass of Canada, may only have assured service over the next decade?

The other point I want to make in this respect is that policies that have been directing our broadcast system have been made almost on an *ad hoc* basis. There is really no contemporary social policy framework in which to set the direction for telecommunications in Canada. Policies that direct our broadcast system have been made by looking through a microscope. Policies have been made to fit each individual area, with no over-all regulatory framework.

The technology of today has far outpaced the regulatory framework in which we continue to operate. I mean our federal policy is really embodied in an act which is almost 60 years old now. It is called the Railway Act from when we were dealing with telegraphy in Canada. Good heavens, we now have digitalization of services. We have direct broadcast satellites. We have short wave. We have the advent of optical fibre networks. None of this is addressed in that legislation. We have no capacity in our current legislative framework to deal with these advances that are taking place at an accelerating rate.

We have no policy to deal with the American death stars which are really direct broadcast satellites and will

have a major impact on our broadcasting system. These kinds of questions simply have not been addressed because of that lack of policy framework. Yet here we go, ready to sell off one of our very important and very crucial assets in terms of a window in the telecommunications industry.

We are preparing to enter the 21st century with policies and regulations that are mired in the stone age of technology. I guess that is the simplest way to put it.

I see my time is limited. I hope I will have the opportunity to continue the debate after the House breaks. In that regard the sale of Telesat is premature. It is akin to putting the technological cart before the policy horse. The current system in that respect does not serve public or corporate interests. It is inefficient for telecommunications companies to explore avenues, do the research and development that is necessary and apply to the CRTC to find that their efforts were wasted because that may not in fact be the direction that the CRTC wants them to move.

My argument here is that before we do anything we have to update our policy. We have to update the direction in which Canada wants to go in terms of whether or not our telecommunications carriers should be privatized and whether or not they should continue to be regulated or in fact deregulated.

With respect to profitability I want to come back to this second point. I mentioned earlier that Telesat Canada is in a precarious financial position. Because of that I submit that its future very much depends on the agenda that will be set by its future shareholders, whoever those shareholders may be.

Telesat's shares were purchased in 1969 for some $30 million. Since then it has brought in almost $22 million in cash dividends over the years. It is not really costing the Canadian taxpayer any money. That money was invested at that time and is sitting there. Cash dividends have been returned to the Crown through the years and, if my numbers are correct, that $30 million translated into 1991 dollars would actually be worth almost $120 million.

We do have a substantial investment in there. I see my time is up. I will continue with this discussion at the earliest opportunity.

The Acting Speaker (Mr. DeBlois): After Question Period and on resuming debate the hon. member will have five minutes left.

[*Translation*]

It being one o'clock, I do now leave the chair until two o'clock this afternoon.

The House took recess at 1 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*Translation*]

CANADIAN COUNCIL FOR INTERNATIONAL CO-OPERATION

Mrs. Suzanne Duplessis (Louis-Hébert): Mr. Speaker, today and tomorrow the Canadian Council for International Co-operation will meet on Parliament Hill. Representatives of 129 member organizations across Canada will take part in the council's activities.

On behalf of the Minister for External Relations and international development, the hon. Monique Landry, and on behalf of all members of this House, including myself, I wish to extend a cordial welcome to all participants and wish them every success with their discussions on the importance of Canada's role in public development assistance, and I also want to congratulate them on the excellent work they are doing.

* * *

[*English*]

EMPLOYMENT

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, during the 1984 election the Prime Minister's battle cry was jobs, jobs, jobs. Why not? He knows all about jobs. When he took charge of the Iron Ore Company there were 1,000 jobs in Schefferville. When he left six years later there were no jobs, indeed, no town. What he did for Schefferville he has been doing ever since for all of Canada.

Ask the hundreds of shopkeepers and the gas station owners who have had to close down because of cross-border shopping courtesy of the Prime Minister's insane

GST, or ask the thousands of fishermen and plant workers in Newfoundland and Nova Scotia who are jobless because foreign boats have pillaged their fish stocks while the Prime Minister stands idly by. Or, Mr. Speaker, ask the tens of thousands of factory workers whose jobs are going south, thanks to the Prime Minister's free trade fiasco.

Where will all this end, Mr. Speaker? Why does the Prime Minister not have the courage to call an election now so that the people of Canada can do to him what he has been doing to them and put him out of a job once and for all?

* * *

COPPER GREEN CENTRE

Mr. Pat Sobeski (Cambridge): Mr. Speaker, Ontarians that live in the watershed of the Grand River can help give Canada's environment a future.

School children in Cambridge are bringing new meaning to the phrases "a penny for your thoughts" and "do you want my two cents worth?" They have started to collect literally tonnes of those unrolled pennies that most of us collect in dresser drawers. Every penny collected will assist in the construction of the COPPER Green Centre. To be located in Cambridge, plans for the COPPER Green Centre will include interactive displays, a conference centre for the environmental agenda, a university networked research facility and much more.

Of course these pennies alone will not pay for the project. However, as the campaign extends beyond Waterloo region and throughout all the schools and communities of the watershed, the pennies provide tangible evidence of the concern for the environment by children.

I congratulate the volunteers of the COPPER Trust Foundation for taking the leadership by organizing the many partners required to make this vision a success.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, during his appearance at the Saskatchewan Wheat Pool annual meeting last Friday, the Minister of Agriculture explained that the reason for reducing the expected third line of defence payment from $1.3 billion to $800 million was because $800 million was all that he could find.

This was new information to this member and of great interest to the House. Until last Friday, the government did not want to say where the money was being found. It would say only that the money was coming from existing programs.

Now that the funds have been found, I urge the minister to do three things: first, tell the House where the $800 million is being found so that we can see which programs are being cut; second, pay out the $800 million before New Year's day; and third, negotiate a fairer system of farm price supports prior to next spring's seeding.

* * *

WELFARE

Mr. Maurice Foster (Algoma): Mr. Speaker, municipal leaders in Algoma district were shocked a few weeks ago when they were told by welfare officials that welfare rolls this winter will reach 15 per cent as thousands of unemployed workers exhaust their unemployment insurance benefits and turn tBo welfare for income support.

In fact, in the first eight months of this year the number of people seeking welfare in organized municipalities in Algoma district has jumped from 3,814 in 1989 to over 10,000 in 1991 and welfare expenditures have increased by 400 per cent during that same period of time. The lay–offs at Algoma Steel in Ste. Sault Marie and the uranium mines in Elliot Lake last year will have an extremely adverse impact on municipal tax bills this year.

I have called on Premier Bob Rae to assume all welfare costs with the federal government, as is done in seven of the ten provinces in Canada, so as to reduce the burden on municipalities. I call on the federal government to recognize the human tragedy of thousands of workers losing their jobs and being forced to seek welfare. I call on the federal government to seek action to create jobs and give people honest work rather than welfare.

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[*Translation*]

CANADA POST CORPORATION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, as of January 1, 1991, the Canada Post Corporation will raise its basic letter rate by two cents. The price of a stamp will rise from 40 cents to 42 cents, not including GST, and will total 45 cents, GST included.

To soften the impact of this decision, Canada Post is offering a one dollar discount coupon with every 50 stamps purchased. Do you think this is a windfall for consumers and the elderly? No, Mr. Speaker. With the proceeds of this rate increase, Canada Post is going to invest in renovation, new equipment and its box at the SkyDome in Toronto.

Mr. Speaker, I would be very surprised if Canada Post invited senior citizens from Abitibi to its box. I am therefore asking the Canada Post Corporation to postpone this rate increase for one year.

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[*English*]

UNEMPLOYMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the people of Cape Breton are struggling merely to survive. The present unemployment rate in Cape Breton is 20.9 per cent but we all know this is not a true figure for those who are unemployed. We know the true figure is probably double this percentage.

Our local employment offices are running out of money. There is no money left for job development projects and very little left for mobility assistance. We cannot even afford to send our people away to find work. Ottawa keeps telling them that there is no more money. We have good, hardworking, honest individuals who cannot get enough work to even qualify for unemployment insurance. The policies that are in place are doing nothing to help these families that are trying to overcome the adversities the government has created.

When is the government, through its federal agency, Enterprise Cape Breton, going to work with local municipal governments and develop creative short-term and long-term job development programs for Canadians who are desperately in need of meaningful employment?

* * *

THE CONSTITUTION

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, the recent breakdown of the unity committee is an example of Canadian politics at its very worst.

In no other sector of Canadian society would a committee collapse into ultimatums and boycotts because there were differences in the organization or operation; not a town council, not a business boardroom, not a church committee, not any committee. Regular people would discuss the problems, resolve them and carry on. They do it every day. But here partisan politics takes over and the interests of politicians take priority over the interests of the country and everything else.

Probably all parties involved have made mistakes, including the Conservatives, the NDP and the Liberals. It is time they got on with the purpose of the committee and did the job they were sent here to do.

It is interesting to me that not one of my constituents has asked a question or even made a comment about the unity committee. Perhaps they just consider it more proof that we politicians are up here in an ivory tower dealing with problems we want to deal with but not the problems they want to deal with.

* * *

• (1410)

"THE BLACK CANOE"

Mr. Jim Fulton (Skeena): Mr. Speaker, today in Washington, D.C. The Black Canoe, the Spirit of Haida Gwaii, will be officially dedicated at the Canadian embassy. This masterpiece of monumental art perfectly distils the history, mood, desire, spirit and hope of the Haida people and humanity.

The brilliant perceptive mind of Bill Reid has brought forward from the dreamworld the shapes, forms and power of the Haida. Today is a day of greatness at Canada's embassy in the United States and a powerful delegation of Haida elders, chiefs and friends are celebrating with Bill Reid today.

During the construction of the great black bronze sculpture, Bill Reid took the time on a timeless after-

noon to tell my children the story of this black canoe and its 13 occupants. The stories of dogfish woman, bear mother, wolf, raven and the ancient reluctant conscript had a permanent effect on their lives.

During that afternoon at Granville Island I came to know the powers of great art and the importance of great artists such as Bill Reid. The Black Canoe speaks for Canada and it speaks of a world we must all seek to attain.

* * *

FARM MARKETING BOARDS

Mr. Greg Thompson (Carleton—Charlotte): Mr. Speaker, despite rumours of the demise of farm marketing boards, the federal government will not budge in its support of farm marketing boards despite renewed hope for a deal out of the Uruguay round of the General Agreement on Tariffs and Trade.

This was echoed yesterday by our Minister for International Trade, as it already has been on many occasions stated by our Minister of Agriculture.

The minister stated that our position on marketing boards has been clear from the start. He said that we have a supply management system in this country which does not involve exports or distort trade patterns in other markets.

This government is committed to farm marketing boards and will not abandon them.

* * *

THE ECONOMY

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise to remind the government that the city of Halifax shows no sign of recovering from this recession, a recession exacerbated by the government's high dollar policy, the regressive GST, high interest rates and cuts to equalization payments.

The statistics are at first merely figures on a page, but if the government chose, it could pull aside the veil of cold economics and it would see the human costs of these policies. It would see the bankruptcies, the people uprooted, families that are separated because some follow what has become the false hope of employment elsewhere. Or perhaps if the government chose, it could look at university graduates who, after years of higher education, search the streets of Halifax for a dream that for them has evaporated.

This government has to realize first that the Atlantic region is not emerging from this recession and that its facts and figures have no relevance for the people of Atlantic Canada or, indeed, for my city of Halifax where the unemployment rate is at 11.3 per cent.

Representatives from all levels of government have to sit down immediately to discuss the road ahead. The government must undertake to work with local industry to ensure diversification and community development. The work must begin now before it is too late.

* * *

TERRY WAITE

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, for five years people around the world have been praying for the release of Terry Waite, the British church envoy who was taken hostage in Lebanon while working to obtain the release of two American hostages.

I had the privilege of meeting Terry Waite in London, England in 1986 during a Commonwealth Parliamentary Association conference. A number of parliamentarians and their spouses attended a special breakfast during the conference. I had the honour to open the breakfast with a prayer. The guest speaker was Terry Waite and he spoke about his plans to return to Lebanon in a few days.

While we knew he would face grave risks during his return mission to Lebanon, none of us had any idea of the brutal ordeal he would face for five years. We thank God that he has been returned to his family. We pray that all remaining hostages will be freed and that the terrorists who have committed these crimes will cease this inhumane method of bargaining.

* * *

THE ECONOMY

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, remember the Brian Mulroney promise of seven years ago of jobs, jobs, jobs? Well here it is 1991 and Brian Mulroney has given us free trade, the GST, privatization, deregulation, more taxes, more debt, and cuts in social programs. And what do we have to show for it, an economy in a mess. Mr. Speaker, in my province of

S. O. 31

According to a report in Saturday's *Globe and Mail*, Mr. Vander Zalm and Mr. Kempf kept the U.S. lumber coalition informed of Canadian strategy during the negotiations. The report says that sometimes on the same night that talks took place, Vander Zalm and Kempf would tell the Americans everything.

Mr. Speaker, it is time that this government packed its bags, and the sooner the better.

* * *

INTEREST RATES

Mr. Garth Turner (Halton—Peel): Mr. Speaker, for several weeks in this House questions have been put to the Minister of Consumer and Corporate Affairs about the high level of interest rates on credit cards. Partially as a result, the issue is now being studied by the standing committee. Also partially as a result, several banks have begun the process of lowering those sky-high rates which I am sure they did not want parliamentarians to notice.

I rise in particular to thank the minister for his courage yesterday in going public, saying that in his opinion consumers ought to get a break and banks ought to lower their rates. Politicians can pass laws that meddle in the marketplace but how much better it is when important public figures like the minister make it clear that he believes average Canadians should be treated fairly.

It would have been easier to defend the *status quo*. The minister could have been the water boy for the banks, but he refused the easy way out; he told it like it is. Now it is up to the credit card czars to listen.

* * *

SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, new allegations have surfaced about the role of former B.C. premier Bill Vander Zalm and Socred forest minister Jack Kempf on their back-room deals with the Americans during the softwood lumber tariff negotiations.

According to a report in Saturday's *Globe and Mail*, Mr. Vander Zalm and Mr. Kempf kept the U.S. lumber coalition informed of Canadian strategy during the negotiations. The report says that sometimes on the same night that talks took place, Vander Zalm and Kempf would tell the Americans everything.

These shocking revelations raise additional questions about whether the federal government knew about this and did anything or, worse, condoned this behaviour. This is a political breach of trust and means we must be ever watchful of this government. The Tories and their few remaining friends in provincial capitals across this country are still looking for ways to sell out Canada at bargain basement prices.

* * *

THE ENVIRONMENT

Mr. Lee Clark (Brandon—Souris): Mr. Speaker, I am pleased to announce that in Geneva today Canada, along with the United States and most European countries, signed a major international protocol which calls for measures to reduce emissions of pollutants which cause smog.

As you know, Mr. Speaker, Canada has played a lead role in shaping this protocol and in promoting the needs and targets of specific geographic areas for emission reductions.

The protocol is designed to reduce emissions of volatile organic compounds, VOCs, a major cause of ground level ozone, the major component of smog. This protocol will permit Canada to achieve a 30 per cent reduction of VOC emissions by 1999 in the lower Fraser Valley and in the Windsor-Quebec corridor.

The protocol also commits Canada to a national freeze of VOC emissions at 1988 levels to be achieved by 1999.

This represents a significant commitment and will require major efforts on the part of government, industry and the Canadian public, all of whom have participated in the development of the federal-provincial NOX/VOC management plan to reduce smog.

ORAL QUESTION PERIOD

[*English*]

TRADE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is for the Minister for International Trade.

Today Canada reported its first merchandise trade deficit in more than 15 years. These numbers show imports at a record level.

We all remember the Prime Minister's election promise of jobs, jobs, jobs. What he did not say was that he was talking about jobs in Europe, jobs in Asia, jobs in America, but no jobs for Canada.

I want to ask the minister when the government will start creating jobs here in Canada and not overseas.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I am sure my hon. friend was not in the House for most of the term of this government when we were creating as a country jobs, jobs, jobs every month.

I accept the fact that we have gone through a recession.

• (1420)

There is some difficulty that companies have endured during the recession, but I would caution my hon. friend from drawing conclusions about one month's trade figures. If he looks at the figures for last month, he will see that in the previous month's figures, we had record exports to the United States which indicates the strength of the free trade agreement in supporting job creation in this country.

My hon. friend should be cautious about drawing conclusions about this month's figures because next month he may be eating his words.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, statistics have been showing a downward trend for months and the figures released today are absolutely catastrophic for Canada. When will this government realize that its policy of a high dollar is killing the export industry in this country? When will the Minister for International Trade advise the Minister of Finance that the time has come to change this high dollar policy and to make sure that Canadian manufacturers can hire workers instead of creating more and more unemployment?

[*English*]

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, let me just refer to some figures here that my hon. friend probably has missed.

If he looks at the first quarter of this year, 1991, he will see that the export level was $138 billion. In the second quarter, it was $145.9 billion. In the third quarter, the average is $150.2 billion. So there has been an increase each quarter during the full course of this year.

I do not recall my hon. friend being on his feet saying: "Isn't it a good thing that we have been seeing the economy of this country creating more exports". The only time he gets up on his feet is when he can walk around with that little black cloud that he loves to see hanging over his head and say: "Aha, we have seen a reduction in exports". What about the previous nine months of this year?

Hon. Jean Chrétien (Leader of the Opposition): I would like to quote from Doug Peters, the well respected chief economist at the Toronto–Dominion Bank.

He said today that these numbers show that the economy is still in intensive care. It is not me. It is the chief economist of the Toronto–Dominion Bank from Bay Street, where the minister has a lot of friends.

Everybody in Canada knows that the problem is that we have to create jobs and this policy of a high dollar is killing the export industry in Canada. What we want from this government is a commitment that it will stop that policy of a high dollar and stop taking the Canadian economy off the life support that we are on at this time because the economy is in intensive care.

We have millions and millions of people who want the government to change these terrible economic policies.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend talks about Douglas Peters.

Douglas Peters I understand is one of his economic advisers. What does he expect to hear from Douglas Peters?

Some hon. members: Oh, oh.

Mr. Wilson (Etobicoke Centre): This man is not an objective observer of the economic scene in Canada. He is in the hip pocket of the Leader of the Opposition and the Leader of the Opposition knows that.

My hon. friend from Hamilton is starting to get excited. She says: "It is incredible". Go ask Douglas Peters where his political support lies.

* * *

UNEMPLOYMENT INSURANCE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my question is for the Minister of Finance.

The Commissioner of Employers advised against raising UI premiums but the government went ahead and raised them 7.1 per cent. A parliamentary committee studying bankruptcy legislation advised against having a payroll tax, but the government did not listen.

When is this government going to start listening to the appeals of small business to put an end to these high taxes which are crippling small business?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, what is at issue here concerning the question of the UI premium rates is the financial health of the UI account and the additional burden on employers and employees.

As we stated yesterday, the difficulty of course was trying to find a balance between the two and I believe that we have achieved such a reasonable balance.

There are no quick fixes to the problem of the growing deficit under the UI account. Although, as I said yesterday, the hon. member may try to make the people believe that money will fall from the sky, it does not, and Canadians know the difference.

The alternative is to raise taxes or increase the deficit. We think that in the medium term it is to the advantage of the economy not to increase that deficit.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, my supplementary is for the same minister.

One hundred and seventy-eight thousand more Canadians are unemployed than this time last year. The help wanted index is at its lowest level in seven and a half years. The government's 1984 commitment of jobs, jobs, jobs is being taxed, taxed, taxed away.

Why is the government making it so difficult for small businesses to lead us out of this recession and why can this government not see the pain and suffering that is being caused by its high tax policies?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member I am sure, just like I and every member in this House, hates to see any Canadian lose his job. She knows and people know that the government cannot prevent the loss of jobs all the time, like they want people to believe. This is impossible. Whenever someone is hit by a layoff he benefits from the unemployment insurance program for income maintenance, as well as from training and adjustment programs to help workers and industries adjust. This costs taxpayers some $3.4 billion a year. More importantly, we have economic policies which provide the framework for the economy to experience the same economic growth.

It cannot be done in a vacuum. These policies have got to work together to the advantage—

Mr. Speaker: The hon. member for the Yukon.

* * *

THE ECONOMY

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance. It is obvious to millions of Canadians that our economy is in a slump. We have one and a half million unemployed and nearly two million people trying to make do on welfare. Plants are closing, farms are being shut down and thousands of children depend on food banks. All these people wonder why this government is not acting. In fact, the government is using to fight this crisis the very policies that landed us in this recession in the first place. It is fanning the flames. When is it going to help these millions of people presently living in despair?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the policy of the government is to bring down the rate of inflation and inflationary expectations, and to bring down interest rates. Interest rates have come down. That is the key to economic recovery, that is the key to investment and that is the key to new job creation.

The policy of the government to consolidate its debt, to deal with the deficit and deal with inflation, to bring down interest rates and to inject that kind of investor confidence in the country is the fundamental way to go in terms of creating a climate that will provide durable, sustainable recovery and long-term employment. That is the goal and that is the objective. I think there are a number of signals, a number of indicators that would point to the fact that we are on the right track.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, yes there are a number of indicators of what is happening with this government's economic policies and the major indicator today is the merchandise trade balance and the fact of what is really coming down. The government says it is bringing down unemployment, it is bringing down the inflation rate, but what it is bringing down is wheat exports. Crude petroleum exports are down, metal ore exports are down, passenger cars are down, aircraft and transportation equipment exports are down and jobs are gone. It is the worst record in 15 years.

• (1430)

The facts confirm that this government's policies are bringing this economy to its knees. I want to ask the minister when he will bring in a plan that will address the needs of the 3.5 million on unemployment or social assistance. When will he put Canadians back to work? When will he recognize his policies have failed and bring in something to help Canadians?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we have a plan and it is working.

Some hon. members: Oh, oh.

Mr. Mazankowski: The hon. member points to a one month statistic. As I have indicated in the House before, the data that is coming in is volatile and you can have a variation from month to month.

The fact is for the third quarter the merchandise trade balance was $4.8 million. Our exports have risen by 6 per cent since December.

The hon. member suggests that wheat exports are down. May I just simply remind her that one of the reasons that wheat exports are down is because we had labour strife and strikes.

Some hon. members: Oh, oh.

Mr. Mazankowski: Mr. Speaker, that among other things has caused, in part, the downward trend in our merchandise balance of trade.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the minister is not being open when he says that this is just a short term problem, that it is just one month's problem. It is not one month's problem. I ask the minister to look at this chart which indicates that our trade surplus is down every year but one since 1982. The minister has to take responsibility here.

The minister should look at the faces of the farmers who have lost their farms, the workers who have lost their jobs and the child who is living in poverty and recognize that the policies of this government are not working.

If the minister cannot bring in a plan to deal with these issues now, he should get the Prime Minister to call an election and bring in a government like an NDP government that would deal with it.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member should be aware, if she is not, that export volumes have risen each consecutive quarter. In quarter one of 1991, the volume was $138 billion; quarter two $145.9 billion; quarter three $150.2 billion. That does not seem to me like exports are going down.

What is important to bear in mind is that there was an influx of heavy imports, largely the result of machinery and equipment, plus a lot of automobile accessories and parts which would indicate that is a forerunner to further automotive production in the country, which I am sure will be reflected in future months. Notwithstanding the fact figures standing alone are not that attractive, the fact that there is that increase in imports is a clear indication of demand and strength in the Canadian economy.

CHILD POVERTY

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Deputy Prime Minister. I rise today in this House on the issue of children and poverty in this country.

The Prime Minister and this government must face the fact that over one million Canadian children are living in poverty and that the token initiatives taken by this government do not correct this devastating reality. Thousands of children are living in conditions of the Third World here in Canada.

Will the government assure us today that from now on it will place top priority on the relief of child poverty and implement policies now which will guarantee that all Canadian children have a fair chance to develop to their potential.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member does raise a very important question. I think she is referring to the report that was released today by the National Council of Welfare which does deliver some criticism toward the federal government and, indeed, as well to the provincial governments. I think it should be fair to recognize that in terms of transfers to the provinces, there are some $37 billion worth of transfers in the form of cash and in the form of tax points to the provinces. That has been increasing over the last five or six years at the rate of about 6 per cent per year. There has been some restraint placed upon it because of our serious fiscal deficit problem. The fact remains that CAP is still growing and transfers to the provinces are continuing to grow.

I know the hon. member is suggesting that the federal government should spend more, but if she is going to ask us to spend more, she had better identify the source.

[*Translation*]

Mrs. Christine Stewart (Northumberland): Mr. Speaker, I have a supplementary for the same minister. Our children are the future of this country. Government initiatives regarding children and poverty have not worked. Over the past seven years, the number of children living in poverty in Canada has increased in spite of a 3.7 percent reduction in the over-all number of children. Far too many children depend on food banks and other charities. What message does the government want to send today to the thousands of parents and children who are lined up at food banks across Canada?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the hon. member would agree with me that the worst legacy that we could leave for our children and future generations is the burden of debt, the legacy of debt, and that is something that has to be considered as well.

I know the hon. member poses the question in a very serious way, but I ask her to consider the fact that the number of low income Canadians declined by over one million since this government has come into office. With tax reform, with a GST tax credit, with the increase in the child tax credit, the pensions, and a number of other reforms that have taken place, real incomes for the Canadian people have risen by a real rate of 2 per cent. While that may sound modest, the fact of the matter still remains that we are heading in the right direction in very difficult, tough financial circumstances.

I know that she is genuine in her concern, but I ask her to consider as well how we might best appropriate the funds that we have and utilize them more effectively and more efficiently so that we can get better value for the dollars that we have, scarce dollars, I might say, Mr. Speaker.

* * *

CANADA ASSISTANCE PLAN

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my question is for the Deputy Prime Minister. The only legacy this government has given to the poor people is to make them even more poor.

The National Council of Welfare in its report today, to which the Deputy Prime Minister has alluded, fully condemned the federal government's policy to put a cap on the Canada Assistance Plan until 1995. The report says: "The council still considers the current policy of the federal government to be bad public policy".

Why does this government refuse to reverse the cap on the Canada Assistance Plan?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member I am sure will realize that the Canada Assistance Plan funding has risen at an annual average rate of 7.2 per cent between 1984–85 and 1990–91. It is slated to increase at the rate of roughly 5 per cent from here on through until 1992–93.

In other words, in 1984–85 the Canada Assistance Plan paid out $4 billion. In 1992–93 it will pay out $6.6 billion. That does not sound like a reduction. That sounds to me like a sizeable increase.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, my supplementary is for the Deputy Prime Minister. The poorest of the poor cannot swallow those figures. This document goes on to say: "Although welfare recipients are among the poorest of the poor in our society, they rarely get any guaranteed protection from increases in the cost of living. Between 1986 and 1990 many recipients actually became poorer".

Will the minister tell the House today what he intends to do to assist the neediest of the poor?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, one of the best ways to provide security for the poorest of the poor is to attack the root causes of inflation. That is precisely what we are doing. With inflation running at 2 per cent on an annualized basis, it is a heck of a lot better than inflation running at 8 to 10 per cent as it was in the days of the Liberal regime.

• (1440)

In 1981–82, it was between 13 per cent and 15 per cent. We have attacked the root causes of inflation. We intend to keep inflation down and that will provide security for the senior citizens, those on fixed incomes and those on low incomes. That is what this government is doing, that is what it has done and that is what it is going to continue to do.

* * *

HEALTH

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is for the minister of Indian affairs and concerns the scandalous Third World health situation which exists in many of our northern native communities.

Recent statistics show that there were 105 new cases of tuberculosis in northern Saskatchewan last year. That is triple the rate of five years ago and more than double the rate of the epidemic year of 1925. Since every study shows that overcrowding is the predominant cause of this epidemic, I would like to ask the minister if he will commit himself today to build enough houses to keep the children of Black Lake and all northern communities healthy and not fall victim to these kinds of Third World diseases.

[*Translation*]

Hon. Monique Vézina (Minister of State (Employment and Immigration) and Minister of State (Seniors)): Mr. Speaker, on behalf of the Minister of National Health and Welfare, I want to assure this House that we are well aware of the situation and of course we regret this high rate of tuberculosis found among native people.

That is why we put in place a procedure for co-operation with provincial representatives, consultants from the University of Saskatchewan and health and welfare officials. We are trying to find a strategy to eliminate tuberculosis among native people, of course in consultation with all concerned, so that native people can also enjoy a good life and better health.

[*English*]

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my supplementary is for the minister of Indian affairs.

I think it is quite obvious that the fact is that as long as people are forced to live with up to 18 people in a little box, they will always be unhealthy and we will always have these kinds of diseases.

Is the minister prepared to make a commitment today to build enough houses to end this blight on Canada's record?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Mr. Speaker, I certainly am. Indeed, we do. I should point out that the hon. member has said that every study shows that overcrowding is the predominant cause of the problem.

That is an incorrect statement. There are many contributing factors to the high incidence of tuberculosis among northern aboriginal peoples.

I should say that this government is committed to determining, where there are situations of crowding, remedies to that problem and to point out that the average number of persons in an aboriginal housing unit in northern Saskatchewan is five to six. We are rebuilding housing at the rate of some 6,500 units per year which would have the result that in a 15-year period all aboriginal housing in Canada would be renewed.

* * *

AGRICULTURE

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my question is for the Minister of Agriculture.

The Uruguay round of negotiations of GATT is in the final stretch and yet there are reports that the Canadian coalition of supply management advocates is dwindling even to the extent that Canada has met with its two best allies for article XI, Japan and South Korea, and is encouraging them to go to a system of tariffication for import controls.

What is the minister doing to ensure the survival of Canada's supply management system at this critical time in the negotiations?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, as the hon. member and other members are fully aware, all ministers of the government have been taking an active part in discussions based on the formula and the process that was derived some 12 months ago between the Government of Canada and all the stakeholders in the supply management area.

The position that Canada has taken and continues to take at GATT is consistent with the position that was developed in co-operation with the supply management industry. It will continue to be so, Mr. Speaker, because we believe as the stakeholders do, that this is the route to take to bring security and they, the stakeholders, have assured us of their support.

I hope the hon. member will continue to support the government in its endeavours.

Mr. Lyle Vanclief (Prince Edward—Hastings): Mr. Speaker, my supplementary is for the Deputy Prime Minister.

Reports say that federal officials are considering a fallback position to the government's position on article XI. Yesterday the Minister for International Trade was saying that Canada's position remains unchanged, as did the Minister of Agriculture just say. This situation is very contradictory and has producers extremely nervous. Can the minister assure Canadian farmers that our demand for a strengthened and clarified article XI has not and will not be changed to a system of tariffication?

Hon. Bill McKnight (Minister of Agriculture): I thought I may have addressed the hon. member's question in my earlier response, Mr. Speaker.

I am not aware and I believe that if he is, he has a responsibility to say who has said that the Government of Canada is considering a fallback position. I responded to that question when it was put by the hon. member some two weeks ago. I answered it at that time. The Liberal Party may still be considering a fallback position. We are continuing to look for clarification and strengthening of article XI under GATT.

* * *

[*Translation*]

VALUE OF DOLLAR

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Finance. The value of a currency is an essential element in any free trade agreement. In the case of free trade with Mexico, could the minister tell us what value he thinks the Canadian dollar should have in relation to the Mexican peso so that our workers do not lose their shirts?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that is a preposterous question. He knows very well that the value of the dollar is fixed in the international marketplace and he should not degrade himself by posing such a stupid question.

Mr. Paul Martin (LaSalle—Émard): The same problem, Mr. Speaker, with the U.S. free trade agreement is that the government thought it was a preposterous question. That is why the dollar went up and that is why we lost so many jobs.

This government must not be allowed to make the same mistake twice and perform the same kind of stupidities which the minister has just enunciated.

The Mexican government, in contrast to this government, has already indicated it will not allow an over-valued peso to prejudice their workers or their exports.

The question really is why will this government not make the same commitment to the workers of Canada in terms of our dollar?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the second question is more nonsensical than the first.

* * *

TRADE

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the news media has been full of stories recently about trade between Canada, the United States and Mexico. Some Canadians worry that North American free trade would make this country too dependent on one continental market.

My question is for the Minister for International Trade. Can the minister tell this House what concrete steps he is taking to round out Canada's global trade so that we are strongly developing other markets besides the American one for our products?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, I want to tell the hon. member that over the course of the past couple of weeks I have led two trade missions, to Japan and South Korea. There were representatives of the automotive products industry, homebuilding industry, food processing, nuclear, the telecommunications industry. It is these types of products where we are making good headway in international markets. This is consistent with the approach we have been following in trade missions to a number of countries in the Middle East, Spain and Europe.

It is also an essential part of the prosperity initiative. We are trying to encourage companies within Canada to reach out into international markets outside of North America, to form strategic alliances both for investment in terms of technology exchanges with these companies, to join up with other companies to tap into other markets and, in that way, broaden our trading exposure with these other markets and lessen the reliance on North America.

RACIAL DISCRIMINATION

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, my question is directed to the President of Treasury Board.

Last week *The Montreal Gazette* detailed a story of rampant discrimination against visible minorities at the health protection branch of health and welfare. One of those affected by that situation is Dr. Dennis Wang who, as the minister will know, is one of the world herbal experts whose job just mysteriously disappeared.

• (1450)

Does the minister not find it ironic that the same Dr. Wang is featured on a poster designed to demonstrate the multicultural character of the Public Service? Does this provoke him to do something about the racial discrimination in the health detection branch, as well as the Public Service generally?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I am glad to tell you and the members of this House that this government is not about to tolerate such behaviour within the civil service.

I am not familiar with this particular case from the Department of National Health and Welfare, but this government is committed to an harassment free environment. We have taken measures. There are ways to deal with these issues and I will look into them very clearly. I can state again that we will not tolerate racial harassment within the civil service.

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, I find the minister's answer somewhat surprising because notwithstanding section 15 of the charter of rights, notwithstanding the Human Rights Commission, notwithstanding a purported program from Employment Equity, we have three human rights complaints about racial discrimination in the NRC, we have five at the health protection branch, we have a systemic discrimination complaint being investigated against the Department of Justice and another one at external affairs.

Will the government agree, given the situation that has been complained about widely by the visible minority community of this country, to form a task force like that that was formed for women to investigate employment

discrimination affecting visible minorities in the Public Service and do it now?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, there have been unfortunate cases brought to our attention and I do hope that we are dealing with them in a proper way.

We have set up a system. We have a Human Rights Commission and I think we are dealing with these particular situations as well as a government can possibly do it. I do not agree. I have set up within the civil service four new committees to deal with that. We will certainly look at all the issues and the information that has been given to me by the hon. member. If I feel that action needs to be taken, it will. We do not intend to tolerate such harassment in the civil service.

* * *

TRADE

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, my question is for the Minister of Agriculture. It too refers to the GATT negotiations, where we know that tremendous pressure is being put on Canada to dismantle the supply management system and move to tariffication. In Atlantic Canada that would cause terrible disruption to the agricultural community. Although we know Canada is strongly resisting this pressure, we want to know if Canada has shifted its position on strong defensive supply management systems?

Hon. Bill McKnight (Minister of Agriculture): I certainly do not intend, as members of the opposition, to thank the hon. member for his question. He has been actively involved in assisting the government and the ministry in preventing any erosion to supply management.

The hon. member is fully aware that Canada's commitment to article XI and the strengthening and clarifying of that article will allow us to continue supply management with more predictability in Canada. That is the position of the government.

He is also aware in this Uruguay round that we wish to start removing trade distorting subsidies which are also causing a great deal of harm to another sector of Canada's agriculture. On those two issues, Mr. Speaker, the stakeholders, the Government of Canada and the governments in the provinces have joined to put forward a common cause at GATT. I thank the hon. member for his continued support and interest.

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UNEMPLOYMENT INSURANCE

Hon. William Rompkey (Labrador): Mr. Speaker, my question is for the Minister of Finance. The government policy at the moment forces laid-off Canadian workers, whether they are in Labrador West or Elliot Lake or Sydney, to exhaust all of their severance pay and all of their vacation pay before they can draw unemployment insurance or before they can access any of the training dollars from the unemployment insurance fund as a result of Bill C-21.

As unemployment is a serious and growing problem in this country, will the minister bring forward immediately amendments to the Unemployment Insurance Act to allow Canadian workers to draw their unemployment insurance without exhausting their benefits, without declaring bankruptcy, before they can draw unemployment insurance and therefore training dollars?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, as the hon. member knows, when we introduced the amendments to the Unemployment Insurance Act, Bill C-21, many amendments were brought in to allow the training of unemployed Canadians. That will continue.

The suggestion of the hon. member to put unemployed persons on training and not have him exhaust his benefits is one that surely I would want to look at. More important, I would like to consult the private sector on it, the labour and business side, and see whether or not this is something we can look at.

Hon. William Rompkey (Labrador): Mr. Speaker, I appreciate the answer. If he consults the steel industry, the iron ore industry and other industries in this country he will find out that workers cannot draw training dollars until they are drawing unemployment insurance. The bulk of the benefits of C-21 are lost if you are not drawing unemployment insurance.

There are people who are 15 and 20 years in the workforce who will be exhausting a year of their benefits before they can draw UI. We need the amendments now on behalf of those workers.

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I think the hon. member

raises an important point for Canadian workers. He will find in the Speech from the Throne and in the prosperity initiatives that when we proposed, for example, that the private sector quadruple the money they spend on training of their employees, I think it points to the reality the hon. member refers to.

As I said, it is something I am open to look into with the private sector. If it is possible then to move in the direction of trying to improve the UI regime so that it will be more relevant to needs of workers, I am ready to consider it.

* * *

INTEREST RATES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Canadians are being gouged on a daily basis by the major banks and trust companies on credit card interest rates. Canadian banks are making record profits while credit card interest rates are fully 10 points above prime.

Since the minister yesterday refused to order a cap on credit card interest rates, will he today stand up for Canadians and initiate a full scale inquiry into the interest rate structure used by Canadian banks for interest rates charged on Canadian credit cards?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I already answered my colleague yesterday that I was concerned myself, as everyone must be, about the fairly high interest rate on credit cards. I told him that I would meet representatives of the banks and trust companies in the next few weeks or days to discuss this subject with them.

Nevertheless my colleague should also admit that already several banks have announced significant drops in their interest rate that will save consumers quite a bit of money. I must repeat, Mr. Speaker, that consumers must continue to be careful and check when they buy, if they have to use their credit cards occasionally, to do everything required to negotiate loans with their local banks or credit unions so as to have the lowest possible rate. And I still rely on competition, Mr. Speaker.

[*English*]

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary is for the same minister.

In 1989 a committee of this House recommended an 8 per cent cap on credit card interest rates, a recommendation that had it been followed up by the minister would have saved Canadian consumers over $100 million in excess credit card interest rate charges.

The minister has refused the cap. Today he has refused an inquiry. What will it take for this minister to put the interests of Canadians ahead of the interest rates of the big banks?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think that I have always shown interest in consumers and I would just tell my colleague about the efforts that we have made to bring interest rates down to their lowest level in years. Rates today are in no way comparable to those of over 20 per cent when the government to which members opposite belonged was in power.

They are in no position to lecture me and this government about the interest rates that have been charged. Those people strangled Canadian consumers for years.

* * *

• (1500)

[*English*]

IMMIGRATION

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): My question is for the Minister of Employment and Immigration. Many people are concerned about the alarming increase of violent crimes in greater metropolitan Toronto. Many people also link the problem to our immigration and refugee policies, which are not properly identifying applicants with criminal records.

What measures is the minister going to put in place to improve the screening and deterrence of foreign criminals before they enter Canada, and to correct other related flaws in our system to detect, deter and deport foreign criminals?

Points of Order

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, I think Canadians need to know, want to know, and I think do know that the vast majority of immigrants and visitors to Canada are law-abiding people. The government knows this.

We have increased immigration levels to Canada to one of the highest levels in the post-war period. We want Canadians to know that we are actively working to prevent the entry of foreign criminals. Many measures are in place to make sure we can detect those undesirable persons and we remain vigilant in the department in that regard.

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BILL C-22

Mr. Jim Karpoff (Surrey North): My question is for the Minister of Consumer and Corporate Affairs. Bill C-22 proposed amendments to the Patents Act, resulted in increased costs of drugs as generic drug companies were not able to compete with the multinational drug companies during the 10-year patent protection period.

The multinational drug companies are now pushing to have this protection period extended to 18 years. Will the minister assure Canadian consumers that they will not be sacrificed by extending the patent protection period.

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I can't believe my ears. Bill C-22, to which many opposition members objected, has attracted hundreds of millions of dollars in investment in recent years. Increases in the price of drugs have been kept below the inflation rate, which is phenomenal. I don't know where the hon. member got his information. I have here 12 pages of investments planned by various companies, totalling several hundred million dollars. One hundred and thirty five million at Boehringer Ingelheim Ltd, 270 million in Montreal at Merck-Frosst, three million at Berlex Canada, 95 million at Astra Pharma Bristol-Myers, 150 million —

[*English*]

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise on a point of order. My point of order results from an exchange that took place between the Leader of the Official Opposition and the Minister for International Trade. I presume it was an inadvertent attack by the Minister for International Trade but it seems to me, Mr. Speaker, that this point of order may in fact be a point of privilege. I would ask that you review the "blues" and I will subsequently review the "blues" as well. It relates to the fact that the Minister for International Trade has said that Dr. Peters, a respected economist in this country, was in the back pocket of the Leader of the Official Opposition.

An hon. member: Shame, shame.

Mr. Dingwall: Mr. Peters is not on staff. He has never been on staff. There has been no contract with this individual by the party or the leader's office. Furthermore, and this is very serious, this respected economist was consulted on a regular basis by the Minister for International Trade's former colleague, the Hon. Pat Carney, when she was Minister for International Trade.

I suggest through you, Mr. Speaker, that the Minister for International Trade is inadvertently attempting to damage the career of a well respected economist and I would ask him to withdraw those remarks.

An hon. member: A good idea.

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): I was only referring to a newspaper report of, I believe, two or three months ago, that reported on Mr. Peters being appointed to an advisory committee to the Leader of the Opposition. That is what I was referring to.

An hon. member: Was that damaging to his reputation?

Mr. Speaker: I will consider the "blues" when I see them.

Mr. Dingwall: Mr. Speaker I want to thank the Chair for suggesting that it will review this matter very carefully. I wish to put on the record that the Minister for International Trade ought not to be allowed to stand in this House and through innuendo and through creative ways slander and question—

Some hon. members: Oh, oh.

Mr. Speaker: There is some doubt in my mind whether the exchange that the hon. member for Cape Breton—East Richmond has referred to the Speaker is a serious breach of parliamentary procedure. I have indicated to the hon. member that I will look at it.

What I would like hon. members to keep in mind is that whether these suggestions come from a preamble or whether they come in response to a question, in either case they often do more to cause difficulty in the House than to cause help. I will look at the particular matter.

STATEMENTS PURSUANT TO S. O. 31

Mr. Jim Hawkes (Calgary West): Mr. Speaker, in Beauchesne's sixth edition, page 111, paragraph 374, pursuant to Standing Order 31 it says that statements ought not to be used to make personal attacks.

I was not in the Chamber but the phone did ring about the lead-off statement today from the member for Burin—St. George's. I would simply ask that you review the "blues" and that statement to see whether or not the rule of the House was violated.

REQUEST FOR TABLING OF DOCUMENTS

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I rise on a different point of order. I wonder if I could ask my friend the government House leader to talk to his associate, the Minister of Consumer and Corporate Affairs. When he was responding to a question today I think he referred to and quoted from a number of documents. I wonder if the government House leader would talk to the minister and ask him if he would table those at the appropriate time when he has an opportunity.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I want to thank the House leader of the New Democratic Party for making that request.

I wish that they would be tabled and that everyone in the country would read them. Bill C-22 has been a great success and I want people to know about it.

GOVERNMENT ORDERS

[*English*]

TELESAT CANADA REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. McDermid that Bill C-38, an act to provide for the continuance of Telesat Canada under the Canada Business Corporations Act and for the disposal of the shares therein of Her Majesty in right of Canada, be read the second time and referred to Legislative Committee E.

The Acting Speaker (Mr. DeBlois): The hon. member for Okanagan—Shuswap has five minutes left.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, as I was saying before the debate was temporarily interrupted, one of the difficulties that we face with regard to the disposal of assets of Telesat is the fact that right now it is undergoing some financial duress.

It is really not an appropriate time to be divesting the public shares of Telesat. The company has a debt load that quite frankly would choke a horse. The poor financial outlook of Telesat is expected to extend into the next decade as a result of recent heavy capitalization and a burdensome rate structure which has been imposed on it by the CRTC.

The corporation has a debt capitalization ratio of over 60 per cent which is pretty significant. That 1990 figure is almost double the ratio for 1987. Its cash flow to debt financing has grown considerably weaker since 1986. During the next two fiscal years the corporation faces considerable escalation of its debt repayment schedule.

I might add much of the current financial woes really stem from a CRTC decision which has allowed for an annual rate increase of a modest 2.67 per cent.

• (1510)

This decision disallowed the inclusion of what I consider to be significant expenses in the calculation of the rates adopted and what Telesat officials believed to be an overly optimistic view of the market. It has a real cash flow crunch.

As a result the company has been thrust into an extremely low earnings position. It is not expected to achieve allowable earnings for several years. I found this in my discussions with the representatives at Telesat.

Corporate profitability will therefore become increasingly difficult during the early years of operation of its new series of satellites. Eldon Thompson is the CEO of Telesat. I will quote him once again: "It will be extremely difficult if at all possible to operate and maintain long-term service. The rate decision exacerbates the inherent cyclical nature of the satellite business since it ensures that the lowest prices are charged at a time when the company's costs are the highest".

It is only natural in looking at the financial projections of Telesat to conclude that any investor who is looking at acquiring the shares of Telesat and looking at the cash flow projections and the debt to capital ratio is not going to be overwhelmed with the idea. I do not think the share offering can be expected to be too optimistic.

In other words, what I am saying is that it is not the appropriate time given the market circumstances for a kind of a fire sale giveaway because I think that may very well be what it amounts to. It is therefore unlikely that the sale, if it takes place at this time, would be of great financial benefit to the taxpayers of Canada in terms of cash recovery to the Crown.

As I said before there may be some reasons to look at privatization. I think the question is: Why now, particularly? I realize my time is limited. I only have a short time left. I will go on to summarize more or less my feelings on this whole thing. Canada's shareholdings in Telesat represent a considerable investment in the future of Canadian telecommunications.

The government wants to opt out of this investment at a time when we are experiencing essentially a world-wide revolution of technological change in the industry. For Canada to forfeit its shares and window of opportunity in our only space based telecommunications industry means that we would essentially be forgoing the opportunity to provide direction in terms of policy direction for this country at a very critical time in the evolution of this industry and in the evolution of that corporate entity.

In addition Canada has not yet fleshed out a well defined communications strategy. We have entered the 21st century of high-tech change cobbled with a policy that has evolved in the horse and buggy days of technological evolution.

I think it is a serious mistake to forfeit our investment in Telesat at this particular time and before we have delineated a comprehensive communications strategy.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I listened with great interest to my colleague's speech.

There are a couple of points that I would like to make and then maybe I could ask him a question. He talked about cash flow, debt ratios, et cetera. He compared 1987 to 1990.

This particular business, the satellite business, is cyclical. The front end costs are tremendous. It has to hire a company that propels satellites into outer space. It has to buy these satellites and have them made. In this particular case it was made at Spar Aerospace at tremendous capital cost.

The first two or three years of the cycle is extremely expensive for the company. That is the cycle that we are in right now. Everyone held their breath in Canada for some time because the first satellite did not deploy exactly the way they wanted it to. They had to do what the experts refer to as a "shake and bake" to get it operating. But they did get it operating.

The second satellite has been launched successfully as well. There were tremendous up front costs. This company traditionally and any company involved in satellite telecommunications realizes their profits in the last half of the cycle. That is when they start making money. To say that we are selling it at the wrong time now is a fallacy because those who will be buying this company understand full well the cyclical nature of the major capital expenditures and at the same time the profit that comes at the other end.

With regard to Mr. Thompson's concerns about the CRTC's decisions on rates, naturally that is a concern, but as my hon. friend knows full well, the government has given orders to CRTC to review the rate schedule because of the inordinate costs up front. Again, those who would be purchasing this company will be very much aware of all of that and will be taking that into consider-

ation. I do not think that there is a problem there at all as to the timing of the sale.

My question is this. The hon. member is giving us the old socialist New Democratic line.

An hon. member: We are not. You have not been listening.

Mr. McDermid: Let me finish. He is talking about the horse and buggy age. I can tell you that to direct policy you do not have to own a company. For some reason, the NDP think that in order to direct policy you need to have a company; you need to have an oil company to have energy policy, you need to have a satellite company to have a telecommunications policy. That is a fallacy. That is just not true. You can have the policies and you do not have to own the companies. That is what he said. That is why I said that he is in the horse and buggy age when he uses that kind of analogy that we should have a company so that we can have policy. The two do not necessarily go hand in hand. You can have policy and you can have policy direction without owning a company.

This company has asked to be privatized so that it can expand and it can take on the new challenges that are coming down the line. Of course, being a pragmatic government, we examined what their requests were and we said: "Sure, we are prepared to go along because it does not serve a public policy purpose".

Mr. MacWilliam: Mr. Speaker, I recognize that the minister was absent for most of my speech due to unavoidable circumstances which he had let me know of ahead of time. I only say that to say to the minister that had he heard my initial comments, I do not think that he would have made the charge that I was taking an ideological approach to this whatsoever.

Mr. Speaker, if you will recall, in my opening remarks I said that rather than an ideological approach to this whole question of privatization, there may be very sound reasons for going ahead with privatization. One of those reasons I cited in passing was the opportunity for more research and development to take place. That is a positive reason.

One of the arguments I put forward was the fact that we have to make this decision based upon some pragmatic objectives, the objective of rationalization cost recovery if we are in fact going to get the money back and we are going to maximize our return in terms of cash assets to the Crown. I do not think we will at this particular time.

The second reason I gave, which the minister was not here to listen to, was the fact of consumer interest. What is in the long-term interest of the consumers of the services offered by Telesat?

Last, we are making this decision in the absence of well-defined and well-flushed out policy initiatives. I was arguing at that time, and I think the minister was back to hear the tail end of those arguments, that in fact we are putting the technological cart before the policy horse. We in fact do not have comprehensive policy to take us into the 21st century of technology change. We are mired in a kind of a horse and buggy day, the stone age of our technology. The Railway Act is the main legislation body that directs communications in Canada today. We need to bring our policy up to date to take account of all the technological change that has taken place to set us on a specific philosophical approach to this whole realm of telecommunications. Once we have that determined and are moving in the right direction then perhaps it makes sense to disperse the assets of Telesat. I am suggesting that we cannot make that decision until we take the time and develop the comprehensive policy that is needed to meet the needs of today. Then and only then can we really determine whether the sale of Telesat is in the interest of Canadians and this government.

• (1520)

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, I am really quite pleased to stand here this afternoon and participate at this stage of the debate on the principles of Bill C-138, this bill to privatize Telesat Canada.

There are some very serious questions about the government's decision to privatize Telesat at this time. They are all important enough questions. I would consider them to be principles of this privatization legislation. What are perceived to be policies are really fundamental principles in the Canadian dynamic.

Some on the government benches may well argue with the points I shall now raise, but I believe they have to be addressed in a most serious way in the best interest of Canada and the business community.

This bill is coming forward in a telecommunication policy vacuum. It fails to protect northern services and the monopoly status that Telesat presently enjoys. The reliance on the Competition Act through the Competi-

tion Bureau is not a good telecommunication policy method for screening bidders. There is a failure to question whether broadcasters should be able to bid, as well as the vague terms and conditions of sale. Add to that the terms of a Canadian procurement policy, the invitation rather than the obligation to use both official languages, the location of its headquarters, the lack of reason for rejecting a public share offering and the lack of a floor policy for bidding. These are all, I believe, critical issues.

I know the minister may have some quick answers to some of these questions and I look forward to getting some of these answers before this bill goes much further.

First and foremost we must recognize at the outset that Telesat is an important national asset. Canada must continue to be a major player in the satellite field if we are to benefit from new technologies, services, high-tech jobs and research and development spending which this company brings to Canada, Canadians and Canadian business.

In this era of fast changing technology this sector is the engine, the fulcrum, the economic lever which can enable, as well as ensure, our competitive capacity in this very competitive international environment.

Ensuring that Telesat remains a viable national asset for the benefit of all Canadians has to be uppermost in our minds. That should be a given for the policy makers across this floor. After all, it was the Canadian taxpayer that made the key investment that got this company off the ground in the first place some two decades ago.

Long before you get to the privatization question you have to make sure that you have established the appropriate policy environment, in this case telecommunications policy, before a privatization can even be considered. This is something the federal government has clearly failed to do. It has failed to establish any sort of national strategy for the telecommunications sector despite promises that date back to the era of the hon. member for Etobicoke Centre in the 1984 economic statement. I quote that statement to remind the government. He said: "There is a clear need for national telecommunications policy to take advantage of the opportunities presented by rapidly advancing technology and the growing demand by Canadians for new telecommunications services".

He added: "Through regulatory reform the government can spur innovation and provide a major stimulus to the Canadian economy". Yet the telecommunications revolution is breaking every new record every day around us. It has moved forward at a rapid pace since 1984 that could never have been dreamed of. This government has left the Telecom industry labouring under the century-old Railway Act without updating rules and regulations for the era of global competition.

Telecommunications industry revenue has grown to more than $21 billion a year. It plays a role in the daily life of nearly every Canadian. Its impact on business has been phenomenal. Global capital markets now function because of global telecommunications. Companies large and small now communicate with customers, distant offices and employees at home through telecommunications. There are new telecommunication ads which I am sure you have seen, Mr. Speaker, such as the Bell Canada ad where the man is going on his vacation while the other man is rushing off to meet his counterparts in the industry around the country. They are busy talking about teleconferencing, which is also offered by Unitel and Telesat.

These are the realities of what is going on in the telecommunications world today. Digital technology is a reality as is fibre optics. The whole field of broadcasting, radio and television is testament to the changes that are taking place in telecommunication technology.

The Americans have built vast global networks and yet this federal government is left watching these dramatic changes in its rear view mirror. Now we have the Telesat privatization going on in this policy vacuum. Seven years ago the past Minister of Finance, the hon. member for Etobicoke Centre and the prior Minister of Communications, the hon. member for Frontenac, and even Flora MacDonald promised a bold new Telecom policy. Even the impartial observer would agree that this government's record has certainly not been very successful. This government has failed to update and revise a comprehensive national telecommunications policy or strategy which is the fundamental environment in which Telesat operates.

The policy vacuum and lack of national telecommunications strategy into which this government wants to sell Telesat are truly a major concern. Would you not agree with that?

Telesat is the only Canadian carrier providing commercial satellite facilities and services across this land. It is also the only Canadian carrier providing basic telecommunications services to the northern communities and to the remote regions of Canada. That is the second principle I want to debate with respect to this legislation.

Is this government going to leave them out there with no communication facilities that are protected? Why has this government seen fit to protect those very vital and very valuable northern services only through government policy? A cynic would say that such a policy is on very thin ice in the hands of this government. I would add that the official's argument that once a satellite is up there is no reason why anyone would stop providing services to the north is a highly questionable proposition to say the least. Don't you need receiving stations and earth stations? Don't they involve costs and require expensive maintenance? Don't they require expensive and regular adjustments? What about the cost of new investments in the latest technology to receive the satellite signals?

These items bring into doubt the government's urging not to worry about the continuation of northern services by Telesat once sold off. Once the satellites are up there they are basically free, according to this government. Hopefully we can be forgiven if we do not take the minister's word on this issue. This should be founded in the legislation, not left to the whim and will of the government in power.

I am anxious for the government to explain to those northern and remote communities how the proposal of a mere policy of service to their communities is worth much, if anything, particularly when it is subject to change at the whim of a minister. That I would suggest is not very reassuring, comforting or Canadian for that matter. Service to the north must be protected in the legislation and that is what we will be pushing for if this goes to legislative committee. Frankly it should just be put on a back-burner somewhere and be revisited.

• (1530)

I would also like to address the government's proposal to assure a 10-year monopoly for Telesat in the form of government policy, just as in the northern service. The question of a monopoly service has not been addressed and is to be left after privatization. That just makes no sense.

Yes, we need an entire debate about foreign competition, about market conditions, about Canadian content in service, and I could go on and on. Suffice it to say, the government has put the cart before the horse with this legislation. The lack of some clear, new thinking from the government on monopoly satellite services is another extremely large component of the policy vacuum that I talked about earlier.

For now I think the monopoly is important for Telesat so that it can remain a vital national asset and a national satellite service provider, given current market conditions. Obviously the government agrees or is at least paying lip service to the idea. It mentions that a policy of monopoly provider status will be established for Telesat once it is privatized. That is an irresponsible approach and it ducks the issue.

Again a cynic would ask: if the government believes so strongly in the monopoly provision, then why not put it in legislation? Only another cynic would suggest it is not assured in the bill so that if the government decided to drop the monopoly protection at the urging of the new owner it could be far more easily changed than a policy that is already in legislation.

There are some questions that I believe we shall have to ask. What are the real costs in terms of only having policy and not legislative protection of the monopoly? How do potential bidders see this affecting a privatized Telesat? And, more important, what are the costs to Canadian taxpayers of this uncertainty with regard to the monopoly status of Telesat and the real costs of this uncertainty in the form of lower bids for the company? These are some real questions we will want explored at legislative committee.

There are two issues with regard to the open bidding process. Why was a public share offering rejected? Why is the Competition Act being used to screen bidders, not a modern, updated, sound telecommunication policy for the 1990s?

First we would like to know—and it is a key principle of this bill—why the public share offering was rejected as an option in this proposed sale. Would not the taxpayers

then have had a chance to participate in Telesat Canada's success story?

Canadians have already paid as investors. Do you think we have conveniently forgotten that Canadian taxpayers' dollars are already involved in this particular story? Is the minister setting up Telesat for some big player to come in and grab it? Is the minister seeking out critical mass in some telecommunications industry segment by letting anyone bid? The point is that there is no evidence that these critical questions were even addressed by the government in deciding on a open bidding rather than other privatization methods. That is a very vital question we will want to have answered in committee.

Why is the Competition Act the only criterion being used for screening bidders for a key component of Canada's communication industry? I think that is an important question. The answer I think is that this government lacks a clear, cohesive and comprehensive national telecommunications strategy. We should have had a policy that was revised and updated, that knows and understands all the Telecom markets and players, domestic and international, in order to screen bidders fairly in a telecommunications policy context. To leave one of the key telecommunications issues in this decade, namely who gets hold of Telesat, exclusively to the determination of the Competition Bureau is a serious flaw not only by the privatization minister and the Minister of Communications but by the whole cabinet. Where is their responsibility in response to the people of Canada? What does it mean by allowing a group of bureaucrats who may be very competent but are nonetheless non-elected people make decisions as to how a bid is receivable and the nature of that bid? I thought we were supposed to be a government of elected representatives.

We should not have the spectacle of the competition bureau making telecommunication policy for Canada. We do here in this bill.

I wonder how our communications minister feels about the extent of his contribution on this matter appearing as a couple of paragraphs in the Minister of State for Privatization's press release. Do you think, Mr. Speaker, that made him feel very comfortable? Irony of ironies, it is just this past week that the Minister of Labour, doing the Minister of Communciation's work, brought in the status of artist legislation. Now we have a Minister of State for Privatization bringing in communications policy.

We now have communications and cultural policy by the privatization and the labour ministers, dictated by Treasury Board and determined by the Minister of Finance. Why do we have a Minister of Communications? It is a very good point that ought to be raised in the committee.

Does the Minister of Communications not feel a very sad loss of power? Does he not feel badly? If he does not he really should. He should go back to the cabinet and discuss this whole issue.

The telecommunications policy decision of who can bid for Telesat is key to this whole process, to the structure of this industry and to the industry's future development. Again, this is another question we will want to put before both ministers at legislative committee.

I think the Minister of Communications' abdication of policy responsibility on the Telesat privatization poses many more questions as well. Should Canadian broadcasters be able to bid and possibly own Telesat? Do you, Mr. Speaker, recall what we did in the broadcasting bill with respect to people who are in the telecommunications field with respect to a broadcast right?

I do not know the answers to these questions. I hope the ministers do. I do believe it is a matter of telecommunications and broadcasting policy, not competition policy. That is the mistake of the Minister of Communications and that is the mistake he allowed to happen in this bill.

Since when has this country, except up until now, allowed culture and communications policy to be made by bureaucrats in the Competition Bureau? I think this is really the wrong path to be going down and it is another issue that I would like to hear the two ministers discuss in committee.

It is pretty well toward the end of the questions I have about just how loose and freely this bidding process has been set up. Why are companies simply being invited to state their intentions with regard to how they would address Telesat's future operations in both official languages? Why is this not being made a condition of the bid, a real demand on the bidders?

I see the privatization minister's cynical hands over all these wishy-washy vague requests for comment on how official languages would be maintained by suitors of Telesat. It is insufficient. It is not good enough and that is another issue to be pursued. Has this minister heard of the Official Languages Act of Canada? Does he know that federally regulated organizations fall under that Official Languages Act? Is that why he wants to know whether he is going to keep Telesat as a monopoly service and all the other things that he is going to do in terms of regulation?

Again, there is the question of the minister's weak demand on the part of bidders for where they will locate Telesat. He says that bidders will be asked to state their intentions regarding Telesat's headquarters in the national capital region and the government will choose a winning bidder not based in part on this information but simply in full knowledge of the bidder's plans.

I see this as just another weak way of passing off key issues related to privatization. I find the terms and conditions provisions of the procurement rules to be followed by Telesat bidders also inadequate. Why should Telesat bidders be only asked to consider Canadian supplier proposals and to use best efforts to buy Canadian?

Was Canadian procurement not a key reason why we set up Telesat, to get a domestic industry off the ground? Was it not a key reason why we set up Telesat and why we have Spar Aerospace today?

Finally, Mr. Speaker, and I note that I have less than one minute left, I wonder why the government has not provided for the public record any evaluations on what it deems Telesat to be worth.

• (1540)

Why cannot Canadians have the privilege of knowing what the value of their shares in Telesat are worth before the privatization minister gets his hands on the bids so that taxpayers and not just the minister can get to see what kind of dollars we are talking about.

I wonder why the minister did not set a floor price for the Telesat shares on behalf of all taxpayers. Would that not have been in the best interests of both the taxpayers and the minister, seeing that he is claiming that he will put the proceeds from this sale in that paper tiger, the deficit reduction fund.

Presumably the minister is so proud to be sending money into that fund that he should be more than prepared to share with Canadians an evaluation of Telesat share values so that Canadians know what kind of a deal they are getting. That is another issue for the committee.

In conclusion—

The Acting Speaker (Mr. DeBlois): I apologize but your time has expired.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I enjoyed listening to the hon. member for Mount Royal. She obviously spent a great deal of time and has given a lot of thought to the issue.

The hon. member raises a number of questions, quite a few of which I believe were answered in the speech presented earlier today by the minister, and I know she listened with great care.

I would like to briefly respond to a few of the points she raised, the most recent one being about the value of the shares. I cannot help but think back to when the previous government bought Petrofina and turned it into Petro-Canada and by arbitrarily determining a value, spent far more money than they should have. In fact, we do not know right at this minute what the value of Telesat shares are. That is to be determined in the marketplace and the government, I can assure her, will get the best possible value.

Coming to one of the other points that she raised about going through the particular process of sale, the government is interested in getting the best possible price so that it can return the maximum amount of money possible to the debt service and reduction fund.

As the minister indicated, the net proceeds from this sale will go to that fund. It so happens that Telesat owes the Government of Canada $30 million. That will come off the top and be paid back to the government to clear that debt off. The rest will all go back into the debt service and reduction fund. So there will be benefits.

My hon. friend raised the subject of the Official Languages Act. I should remind her because perhaps she is not aware of the fact although I am sure she is, that Telesat is not a Crown corporation and has never been subject to the Official Languages Act. Obviously that condition remains and we cannot change that. However

the government, in an effort to strengthen the implications and the intent of the Official Languages Act, is in fact requiring the bidders to state their intentions with respect to that matter.

The hon. member made many points and they were all good and valid questions. I am just trying to respond quickly to a few of them and then I will allow her to respond. The last point I wish to raise is with respect to the service to northern people which is critically important. I think it should be borne in mind that the government will exercise its existing powers under the Radiocommunications Act to ensure that the wholly privately owned Telesat will support and conform to federal broadcasting and telecommunications policies.

Telesat will be required to continue to follow the current government policy of serving as the primary vehicle for providing northern and remote areas of Canada with access to telephone, broadcasting and other communications services. With that, Mr. speaker, I will sit down and allow my hon. friend a moment or two to comment.

Mrs. Finestone: Mr. Speaker, I thank the parliamentary secretary for his respectful answers. They are still not satisfactory in my view. It may be that I am wrong. Given the government's penchant for, as we say in French, *le contenant et pas le contenu,* in English I would say "a pretty package with no stuffing", I would like to suggest that the quick response by the parliamentary secretary may have some justification.

I suggest that he go back and tell his minister, who is so rude as to not be present in the House when there are official opposition critics speaking to his bill, which is typical of this particular minister, it would be right if the legislation went back to be more carefully examined—

Mr. McCreath: Mr. Speaker, on a point of order, I am sure that the hon. member did not mean to unfairly malign the minister, but in fact the minister was required to leave early because he has a medical appointment at the hospital that he had to keep.

That was this morning but I just want to make sure she was aware of that. That is why he had to leave earlier than under normal circumstances he would have.

Mrs. Finestone: Mr. Speaker, though we are not supposed to refer to absences by people in this House, I wish the minister good health and I hope he got a good medical report. Frankly I would like to have used an excuse too and put the bill off until tomorrow because I would like to be in committee where I belong.

Let us hope that with the government majority it will pass this bill, let it go to committee and let the government answer all these questions and be open to positive amendments and changes. In fact, let it be open to even reconsidering the timing of this bill and bring in a telecommunications policy so that we could then address this bill in its proper context.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I just want to add a few comments to some of the arguments that my colleague from Mount Royal has presented.

She mentioned the return of assets from the dispersal of the Crown assets from Telesat to—I cannot even remember the name—the debt reduction stabilization fund, I think it is something like that. In B.C. we had a similar one. We called it the BS fund.

This fund, or at least the creation of this BS fund, this budget stabilization fund, has not even passed this House. In fact, this fund has not been created and may not be created. My question to my colleague is what if the fund is not created. Where do the assets go? Are they returned to the Crown through consolidated revenue? How do we know that they will in fact go to reducing the debt that this government has acquired over the years.

Mrs. Finestone: Mr. Speaker, the first problem is we do not know the value. The second problem is we do not know who the bidders are and whether the terms and conditions will ensure that we are going to get a sufficient return on our money to even warrant the sale. The third problem is that we should not be selling it anyway so I do not think we should worry about where it is going. We should just sink their ship on Telesat. They should not be privatizing it in the first place.

I wish I could understand what the government does with all its money. It has been increasing taxes like mad and it has been dragging money out of all of our pockets as we scream, from each level of government and yet it has not been able to reduce the debt. It has increased the

deficit. Explain to me what it does with money. I do not know.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I would like to start by congratulating the hon. member for Mount Royal on her excellent presentation on the Telesat Canada bill.

[*English*]

I wonder if the member shares my concern. I am sure she must and if she could comment concerning access to information after sale.

Fifty-three per cent of Telesat Canada shares are owned by the Canadian government with a possible worth of $150 million plus. We remember that the sale of de Havilland was done by Order in Council and the information was kept secret from the Canadian public under the cloak of cabinet and commercial confidentiality.

In this particular case, we have possibly $150 million plus in assets. What will we have to do, and what mechanism could we put in the legislation to have access to information for the accountability of the disposition of government assets?

Mrs. Finestone: Mr. Speaker, that is a very good question and I am very pleased that my colleague from Broadview—Greenwood is sitting behind me. His business experience is going to help me answer that question.

The government owns 49.5 per cent, just under 50 per cent of Telesat. When you talk about access to information of that nature, this government, you and I acknowledge and recognize to this date has not been very open and above board with Canadian people anyway. Therefore, I would imagine that anything it is going to do in this regard, it is going to call competitive information and we will not have much access to the final information that would be involved around this sale.

• (1550)

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I am very pleased to rise today and take the opportunity to speak on Bill C-38, an act to provide for the privatization of Telesat Canada.

Once again we are faced with legislation that comes as a result of this government's philosophical obsession to diminish the ability of the Government of Canada to make policies in areas of national importance and regional significance.

I have some concerns about this legislation that I want to outline. First I want to take a few minutes and talk about the desire the government seems to have to want to privatize practically everything.

Canadians have seen their train service severely diminished through cuts to VIA Rail. The privatization of Air Canada has jeopardized the services that are required in the north and other regions of our country.

At the present time the process is under way of cutting off our ability to influence the ever important national resource industry through the commencement of the privatization of Petro-Canada.

This government literally brags about the profits that the privatized Canada Post has produced in recent times while ignoring the fact that post offices have been closed throughout rural Canada. This has in some cases severely damaged the character of rural communities. It has caused a great deal of concern among rural Canadians who are fighting to keep their towns, villages and communities alive.

Now we have this government putting forward legislation which again could take the hand of the Canadian people out of the satellite communications field. Once again we have to very closely scrutinize the government's plan in a very thorough manner to ensure that this legislation is in the best interests of Canadian people, rather that just another example of this government's right wing Conservative philosophy.

We must also examine this legislation to ensure that it is written in a way that the interests of Canadians are paramount, rather than the special individuals or private investors or corporate players.

Telesat was founded or established under the Trudeau Liberal government in 1969 by the Telesat Canada Act. It was a joint venture between the government and the major communication carriers to develop a domestic commercial satellite based telecommunications system.

It is the only Canadian carrier providing commercial satellite services and facilities across Canada.

There are other concerns that I want to raise about this legislation. For many Canadians, in particular those living in the north and remote areas of Canada, the satellite services provided by Telesat Canada are perhaps the only practical and affordable means of providing broadcasting, telephone and other telecommunication services.

I was informed a while ago that Telesat Canada will continue to provide these satellite services for the provision of telecommunication services to northern and remote areas. When I heard that, I was certainly relieved. But as I read through this legislation I find to my surprise and alarm that there is no mention of maintaining these essential satellite services to the north and remote areas. There is no mention anywhere in this legislation. All we seem to have is the minister's promise that as a matter of government policy Telesat Canada will continue to provide satellite services to the north.

With all due respect to the minister, whom I respect rightly as an hon. member, Canadians have heard promises from this government before. Such phrases as jobs, jobs, jobs still ring in the ears of Canadians across this country. In particular, it rings in the ears of the almost 1.5 million Canadians that are unemployed across our country.

Canadians have watched over the last seven years as promise after promise of this government has been dropped, botched or broken.

I would not be surprised if Canadians from the north and the remote areas of our country do not feel secure because this government has stated that it promises to ensure that Telesat Canada will continue to provide satellite facilities to their regions.

I would be very surprised if a promise from this government will put to rest the fear that these essential services could be jeopardized by this legislation.

Unless Telesat's role in serving the north is in this legislation, I believe that northerners will have good reason to be concerned that that service could be in jeopardy. Even if the government's promise is fulfilled and satellite services to the north are continued, there is no mention or there is no promise of which I am aware that would commit the government to ensure that these services are provided at the same level and quality as they are now. That promise could be a very hollow promise if the quality of satellite service to the north is diminished.

A second area of concern that I have about this legislation is the government's decision to privatize Telesat Canada through an open bidding process as opposed to a public share offering. Even Telesat's vice-president of finance and administration, Fred Bartlett, has expressed his preference for a public share offer. He is quoted last May in the *Financial Post* as saying:

> If you want to ensure that Telesat is maintained as a separate entity and if you want to make sure there's competition within the industry, public ownership is a good way of going about it.

Those are the words of the vice-president of finance and administration of Telesat.

The open bidding process could provide a great opportunity for a controlling interest in Telesat to fall into the hands of one owner. Of course what this would do, or could do, is reduce the level of competition in an already highly concentrated telecommunication industry.

If that owner happened to be a national carrier, such as Telecom Canada or Unitel, it is conceivable that Telesat could be managed in a way that provides a competitive advantage to the controlling company. In addition, if the controlling company in Telesat was placed with a telephone company there is a possibility that the future direction of Telesat would go in the interests of the telephone industry at the expense of the television cable industry. I suppose that it is only fair to say that the same could be in reverse.

If this scenario is a possibility, then I think the government should take precautions to ensure that it does not take place. In reading the government's own release, it seems that there will be no restriction on who bids for the shares other than the 20 per cent non-resident ownership limit.

I assume that would open the door for the telephone industry to take control of Telesat if it put forward the highest bid. That is a matter that I certainly hope the committee will look at in great detail.

Another concern that I want to mention this afternoon is the so-called loosening of restrictions such as Telesat's buy Canada policy that this legislation could very well bring about. Has the government examined the kind of an impact that this could have on Canadian firms which have supplied the goods and services to Telesat?

• (1600)

If Telesat is no longer obligated to purchase from Canadian suppliers, how many Canadian jobs will be jeopardized? I understand certainly that Canada has got to be prepared to compete internationally, and I understand the need to avoid protectionist trade policies. But if this government is planning to allow Telesat to purchase from abroad, is it prepared to assist the Canadian companies and employees who would be jeopardized and damaged as a result of this decision?

There are a lot of concerns about this legislation. I have only mentioned three here this afternoon, and I know others have already been raised. I am sure as the debate continues there will be more concerns brought forward. There are questions to be asked of the government's motives in bringing this forward, questions to be asked of who will be best served by the bill—Canadians, business interests or the government itself? There are questions about the continuation and improvement of services to the north and the remote regions of our country. There are concerns about the decision of the government to sell its shares through the open bidding process rather than a public share offer. There are concerns about how this legislation will affect the Canadian firms that supply Telesat Canada and the jobs of its employees.

I appreciate the opportunity to speak on this matter. I expect that this bill will be thoroughly scrutinized before committee where I hope that some of these concerns will be answered.

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I listened with great care to my hon. friend's question. She raised a number of points that the previous speaker raised, and I must say I responded to them. I would be pleased to repeat some of the points for her benefit.

I could not help but notice in the early part of her speech that she spoke about a number of things. She even made reference to the bill a couple of times. She talked about privatization generally and she talked about cost, but I think it is important for her to recognize that there is a fundamental philosophic difference between this government and the one that was formed by her friends on the other side, and that is that this government believes in fiscal responsibility. It believes in paying its bills. It believes in providing value for every tax dollar that is spent. One of the reasons that we have a privatization process is that we only maintain agencies and Crown corporations so long as there is a public policy requirement for those agencies to be held by the public.

We happen to believe that private industry can more efficiently deliver services in a competitive environment, and that is why, among other things, we are proposing to privatize our shares in Telesat, because there is no longer a public policy purpose to be served by maintaining them.

She mentioned in her remarks and used a tactic that, quite frankly, is not something foreign to the Liberal Party in its approach to dealing with the public. That is what can only be described as a scare tactic. She again raised the notion of what is going to happen to the northern service. It was made perfectly clear by the minister moments ago, it was made perfectly clear by me, that a fully privatized Telesat will remain subject to the government's policy that it provide satellite-based telecommunications services to the northern and remote areas of Canada. The requirement will not be onerous and Telesat, as the footprint currently provided by its satellites, covers these areas in any event.

Furthermore, Telesat's services to northern and remote areas are profitable, and for this reason the company wishes to continue to provide them anyway. However, if in the future Telesat wanted to tilt its satellites in such a way as to exclude northern and remote areas from its coverage, the Minister of Communications has sufficient powers under the Radiocommunication Act to revoke existing licences or to refuse to licence future satellites.

The assurance is there. The issue of competitiveness is raised as well.

What happens if somebody in the telecommunications industry or some company were to buy it? I would remind her that it was clearly set forth by the minister

when he announced the bill. I read from his statement at that time: "The shares will be sold through an open competitive bidding process and the sale will be subject to the Competition Act". Before any sale is approved by cabinet, cabinet must be satisfied that it meets the requirements of the Competition Act.

As to the issue of public share offering as I mentioned earlier—and it is the last point I will make—the government's task here is to get the best dollar available for the Canadian taxpayer. There is no question that through this competitive bidding process the government is following we will gain much more revenue for the government, which means much more revenue for the debt service and reduction fund. This is something we would not require if there had been fiscal responsibility from the Liberal government.

Ms. Callbeck: Mr. Speaker, certainly I want to thank the member for the answers he has provided but I must say that what they do is raise a lot of questions in my mind.

He talked about fiscal responsibility. I want to assure the hon. member that we on this side of the House are certainly concerned about fiscal responsibility. I can say as a businessperson that certainly the debt is something that really concerns me. We want to see that there is value for every tax dollar spent.

He talks about the promise by the minister and the parliamentary secretary of services being continued in the north. What I said was, yes, we had a promise. Promises have been broken by this government however. I do not think because the people of the north have a promise that is going to make them feel too secure. What I have brought up is why is this not in the legislation? Then I think people in the north would know that they are going to be provided with that service.

It is fine to stand up now and make the promise, but what happens if it becomes unprofitable? When something becomes unprofitable, if it is not in the legislation the people of the north may find that a promise will be broken.

An hon. member: You have it.

Ms. Callbeck That was my point.

[*Translation*]

Mr. Phillip Edmonston (Chambly): Mr. Speaker, it must be a coincidence that we happen to be talking about this so-called privatization bill in November, just before the month of December and the Christmas holidays, because this is a present. A present, not for me but for the businessmen who will be able to buy this telecommunications company, and I am referring to Telesat. It is a present. The government is once again handing out presents. One wonders who will benefit. In any case, it won't be the people who paid for Telesat. They are certainly not going to make a profit on this. I find it incredible that this government feels it can compare the sale or privatization of Telesat with the sale of Petro-Canada, because if the government was ever guilty of behaving irresponsibly, it certainly was in the case of Petro-Canada, and I can tell you—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member but I just want to make sure he is rising for questions and comments on what was said by the previous speaker. I recognize him on that basis.

Mr. Edmonston: Mr. Speaker, my hon. colleague said that we must know who will benefit from this privatization. I would just say that to me it is quite obvious that business people will benefit from it. I refer to the privatization of Petro-Canada as a remarkable example of the way this government can say to us: "We are privatizing Petro-Canada for your good, for your benefit. We are privatizing Telesat in your interest." Nothing is farther from the truth. It is not correct. In my opinion, what happened with Petro-Canada is quite the opposite.

The Acting Speaker (Mr. DeBlois): The hon. member for Carleton—Gloucester. Two minutes remain for questions and answers.

Mr. Bellemare: Mr. Speaker, I would like to make a clarification and raise a question of privilege. The hon. member for Mount Royal corrected me in her speech at the end when she answered my question, saying that Canada's share was 49.3 per cent. I had a discussion with her after showing her the documentation and she agrees with me that when the share of Canadian National, which is a Canadian company, at least so far, is added,

the total is over 51.1 per cent. Therefore Canadians own more than 51.1 per cent of Telesat Canada.

As for the speech by the hon. member for Malpeque, I have this concern. The government informed us, through the minister for privatization, that it would put the proceeds from the sale of Telesat into a national debt fund to reduce the debt and interest charges. Mr. Speaker, my question is this. We must remember that the minister told us that would be done after paying off the $30 million debt or loan that had been made to Telesat Canada. Certainly some costs are involved with the sale that could raise it to $31 or $32 million—

The Acting Speaker (Mr. DeBlois): I am sorry to interrupt the hon. member, but the 10-minute period for questions and comments is over. Resuming debate. The hon. member for Chambly.

Mr. Phillip Edmonston (Chambly): Mr. Speaker, this Bill C-38 to privatize Telesat really gives away to business people what we in Canada paid very dearly for Telesat Canada—$30 million.

We should be ashamed to betray Canadians in such a way, because they were sold out in similar fashion with Petro-Canada. It was the same with Air Canada. We have a government that tends to sell off businesses or Crown corporations that are doing rather well, that are profitable. As soon as they make profits, they are sold to private interests and often, indeed always, the consumer pays the bill. I can tell you about Petro-Canada, Mr. Speaker, because we are now discussing privatization in principle and I find it hard to accept treating Telesat Canada the way Petro-Canada was treated.

Petro-Canada was indeed privatized. It was originally created by the Liberals to have a window on the industry, to know what is going on in the oil industry, why the others raised gasoline prices, why it often took a few days to raise the price of gas when a barrel of oil cost more and often three or four months to lower the price when a barrel of oil cost less.

So Canadians were very glad that the government wanted to buy an oil company, even to create a fairly profitable oil company, and finally have a window on the oil industry.

But I see Telesat Canada as a window on the telecommunications industry, a rather important window, because even though it cost us some $30 million, it is, if I understood the Minister of State for Finance and Privatization, a company that is starting to make profits. It may be that later on these profits won't be as important, but presently that company is certainly not in deficit. So why sell it now? Why sell it at a price so low that it is a gift to entrepreneurs? Why take something that Canadians have paid with their taxes and sell it simply because the government needs money?

You have to be careful with privatization. If privatization can help the public and society in general, if a corporation is in effect a bottomless well, such as the SkyDome in Ontario that was created by the Liberals and supported by the Conservatives, by Conservative entrepreneurs, then we must put a stop to the situation and privatize. I have never been able to understand this government. It seems that the government is wearing what we call blinkers like horses during a race and therefore can only look in front. I do not know the exact word in French.

An hon. member: *Des oeillères.*

M. Edmonston: That's right, *des oeillères*. Thank you. Even the Liberals were able to see the problem with this government. To use a typical Québécois expression, the government is blind. In the case of the SkyDome, the NDP supports privatization, because we are not blind. The NDP can see clearly. We can see that the SkyDome is a disaster. But such is not the case with Telesat and it certainly was not the case either with Petro-Canada.

The question is: First, will the privatization of Telesat help Canada make progress from a fiscal point of view? Second, will it help Canada make progress towards a better understanding of the telecommunications industry? Third, will it help us reduce—I have heard that one so often that I do not dare repeat it—the deficit? There, I said it, "reduce the deficit". We hear that expression so often as a pretext for all sorts of things: We want to reduce the deficit. Mr. Speaker, will we manage to reduce the deficit? My gosh, if it should happen, I would be the first one to say that the Conservatives are great. Unfortunately, I cannot say that today.

An hon. member: Tomorrow.

Mr. Edmonston: Tomorrow maybe, but not today. Because based on the present bill, there is no guarantee that we will manage to reduce the deficit. Quite the

contrary, if we look at what our great government has given us in the past, namely the GST that was supposed to be revenue neutral, to be visible and to be a way of reducing the deficit. None of that. Incidently, I read an excellent article written by Marjorie Nichols in which she says that before the implementation of the GST, the sales tax brought in about 19 per cent in revenues. However, considering how much it cost us to introduce the GST, the tax will net us about 16 per cent. This means that if we count all the jobs, all the public servants, all the song and dance it took to introduce the GST, we are left with less money than we had when we still had the manufacturers' sales tax. See for yourself! It's in all the papers. In today's papers even.

• (1620)

I am delighted to see that some Conservatives have started to see the light. The problem is that it cannot be used as an excuse to reduce the deficit, because the Canadian people—anglophones, francophones and allophones—won't believe you any more. You have lost your credibility in this respect. Do you understand? So don't use this as an excuse that you want to reduce the deficit. It just won't work. Maybe it worked during your first mandate, but not any more.

Second, they claim that Telesat isn't making any money, that it's a black hole and that it will cost us too much, and that the government shouldn't be involved. That doesn't make sense either. Telecommunications is one of the areas in which the government should be involved, very much so and with enthusiasm. It should be involved because that is where the future lies.

We in the NDP feel that instead of looking for excuses to reduce the deficit, the government should be realistic. As I see it, the only way to reduce the deficit is to change this government. It would make a big difference. We could have a government that is far more responsible and, if it happened to be a New Democratic government, we could have a government that would privatize if necessary but would not privatize as a matter of course. It would above all be the kind of government that would help Canadians in industries that have tremendous potential, like the telecommunications industry.

I feel that today, the government has betrayed this country with the kind of bill we have before the House. In statements made today by the Minister of State (Finance and Privatization), the minister said that the reason he wanted this bill was to have effective money management. I don't think we will get effective money management with this bill. We must look at this government's past history: 33 taxes within eight years; 85 per cent of the government's revenue comes from personal income tax and only 16 per cent from corporate income tax.

When he introduced this bill, the minister said, and I quote: "Crown corporations must meet public policy goals without draining finances". Amen! I have no problem with that, Mr. Speaker. It is perfectly true that Crown corporations should have social goals without unduly draining the money reserves we have in this country. But I do not think Telesat was draining our money away. I don't believe that, at least not compared with the technology we will lose, the technology we will no longer have if we sell this company to private interests.

When I hear the minister talk about fiscal responsibility in connection with this bill, I say it is really fiscal irresponsibility, because as we say, "If it's not broken, why fix it?" I am not convinced that Telesat is so broken down, in such bad shape, working so badly that it has to be hit with an axe to get it on the right track. I do not believe that, Mr. Speaker.

I can also tell you that when the government privatized Petro-Canada—and I keep coming back to Petro-Canada because I used to be president of the Automobile Protection Association. Many drivers complained that they were always being pestered by the government to buy from Petro-Canada because that helped the government. Petro-Canada had the support of many motorists but we stopped supporting Petro-Canada when we saw that the Conservative government had changed Petro-Canada's mandate; just before selling it, they changed the mandate. Instead of letting Petro-Canada be a competitive catalyst for cheaper gasoline prices, the government decided that Petro-Canada would act like any gas company or oil company and Petro-Canada would sell gasoline at the highest price it could at every opportunity, even though it was a state owned company.

Finally consumers said that they had enough of Petro-Canada. It charged as much or more than other gas companies. The government was taking as much money as it could to sell it off. That is what they did. Not only did we lose an extremely important tool for Canadian

consumers but we also lost an excellent competitive catalyst for lower gasoline prices. That is shameful.

When I see Telesat—and I hear that the minister wants to protect Canadians' interests by privatizing it, but I look for something to compare it to. I look for cases where they privatized something and protected us in so doing. Like what, Mr. Speaker? Certainly not the privatization of de Havilland. I am not convinced that we are further ahead with the privatization of Air Canada. Certainly not with Petro-Canada. Now he would have us believe that privatizing Telesat Canada is in our interest. I do not believe that.

In closing, I just want to comment on the minister's statement when he presented the bill that he leads or is part of a pragmatic government. If this government were so pragmatic, if plain common sense were so important to this government, we would not be privatizing Telesat now at such a low price, so low that we will not get much for what we paid very dearly. The government will wait, give a break and then try to save money on other things.

There are several measures that the government could take but the privatization of Telesat is not one of them.

Mr. Speaker, it is true that we, as a political party, will vote against this bill. This is not an ideological stand, because in the past we have supported the privatization of other corporations, like the SkyDome. But in this case it is, like we say of the GST, the wrong initiative at the wrong time. In this case—not in all cases—but in this case, privatization is unacceptable because it is tantamount to a gift, just before Christmas, to private interests.

• (1630)

I do not want to give this kind of gift to private interests, especially when us, Quebecers and Canadians, have paid a lot for Telesat Canada.

The Acting Speaker (Mr. DeBlois): Before going to questions and comments, it is my duty, pursuant to Standing Order 38, to inform the House of the issues that will be on the agenda when we adjourn this evening, namely: the hon. member for Skeena—Sovereignty; the hon. member for Don Valley East—Employment; the hon. member for Restigouche—Chaleur—Canada Post; the hon. member for Haldiman—Norfolk—Goods and Services Tax; and the hon. member for Eglington—Lawrence—Immigration.

We resume the questions and comments. The hon. Parliamentary Secretary to the Minister of State (Finance and Privatization).

[*English*]

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, what we have here is a fundamental difference in philosophy. This government believes that the government should not be involved in things that can be done probably more economically and more efficiently in the private sector. Whereas the fundamental philosophy of the party of my hon. friend opposite, the hon. member for Chambly who just spoke, is: Why should something be done competitively in the free marketplace if it can be done more expensively and involve more people by the government? With that he speaks at great length about Petro-Canada and its place in the Canadian oil industry.

I would refer him to a better example, one that more truly reflects the philosophy of this government, the example of Air Canada and its predecessor, Trans-Canada Airlines. I remind him that in 1937 it was a Conservative government that introduced and created Trans-Canada Airlines which subsequently became Air Canada.

It was also a Conservative government that instituted and created the Canadian Broadcasting Corporation. Why? Because there was a public need, a need for government to move in and provide a service that was not being created in the private sector. So they were created.

Let me follow the example of Air Canada. I notice that he did not mention Air Canada in his remarks. The airline developed at a time when there was not an airline and there was one needed. There was a national air service required and it was created. Now, some 50-odd years later, we find that there is all kinds of competition within the airline industry in North America. Indeed there were two trans-national carriers and we had a situation where the people of Canada, the taxpayers of Canada, were subsidizing the maintenance of one of those services while the other service competed in the private sector and had to make it on its own without benefit of government subsidization.

This government quite properly proceeded to privatize Air Canada, bringing significant revenues to the Crown, while at the same time creating fair competition in the marketplace.

I read the words of the chairman of the board of Air Canada who had advocated privatization. He was writing after privatization of how the airline had been, I guess I might say somewhat like myself, too fat and needed to be sheared down so that it would work more effectively. That is precisely what has happened with Air Canada.

Air Canada, one of the finest airlines in the world today, is competing very effectively with Canadian Airlines International without a drain on the taxpayer of Canada.

My hon. friend spoke about the many taxes that have been introduced in the last few years. I want to tell my hon. friend as one member of Parliament who supports the actions of this government that I wish we could get rid of all those taxes. I have not met any of my constituents that like paying taxes. However, the problem is that people want services and in order to provide services we have to raise revenue through taxation. That is what was done with the various taxes.

If the government had not inherited a $38 billion deficit and a $16 billion operating deficit, we would not have had to increase taxes in order to pay for the sins and the debts of those who were here before us.

With respect to Telesat I just very briefly will make this last point so my hon. friend can respond. I would remind him that there was a need for public intervention to see that Telesat was established in the way that it was to develop and provide satellite based commercial telecommunications services in Canada. This objective has now been achieved.

The government is no longer providing capital or operating funds for Telesat and no longer has any reason to continue its investment in Telesat. Therefore we say it is time to pass it on to the private sector in which it can continue to grow, develop and serve Canadians.

Mr. Edmonston: Mr. Speaker, as you will have noticed, when I began speaking on this subject I mentioned that the government often has a tendency to put blinkers on and to listen only selectively. I hope the government will allow me to say this again and will understand and listen to the complete story.

What I said is that in principle as a party, my party is not in favour of privatizing *per se* and it is not against privatizing *per se*. I think that privatizing can be an instrument just like any other instrument of public policy.

The government must intervene in areas in which there is no other intervener that can possibly go in. That is the purpose of government. I feel and I believe my party as well feels that government intervention should be necessary as a last resort, a last recourse.

We would like to see private enterprise play out its role. We have always done that as a party. If one listens closely to the provincial premiers, in addition to my leader, one will find out that is what we have always proposed. One will find as fiscal times get harder and harder in this country of ours—and I think it is going to get harder before it is going to get easier for most of us—the New Democratic, the Liberal and the Conservative parties are going to have to face the reality that we need all of these economic tools in order to bring about a fair, just society, and that may include privatization.

However, I am speaking to this particular bill. I do not believe that it is time for the government to cut and run. That is not what the taxpayers of this country want this government to do. The taxpayers of this country want a responsible government which will not cut and run in an industry, the area of telecommunications, which has so much potential. Unfortunately without a telecommunications policy we do not even know the full potential or where the government should really get involved in this industry.

In conclusion I would just like to say that I hope my friends on the other side will take off their blinkers and see better the reality. That is the only way we are going to get anything done in this House.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I have a short question for the member for Chambly, a member of the New Democratic Party. I listened to most of his speech. I tended to agree with most of what he said except that I had a little difficulty

squaring what he was saying and what is currently going on in my province of Ontario with our dome stadium.

We have a situation in which the cost of the dome stadium was approximately $500 million and that was not including the gift of land from the Government of Canada. That is probably worth another $100 million. We see a situation in which, I think it was, approximately 10 private sector companies put a proposal forward to the province of Ontario putting in approximately $100 million cash. I think the total cost of the dome was about $350 million. It bought it for about $350 million. About $225 million of it was a deferred debenture, interest-free, on which it did not have to start making payments for 20 years from now.

I have difficulties with this and I just wonder if he could try to square that New Democratic Party approach in which it sells something for literally one-seventh of its value with his approach to the government.

• (1640)

Mr. Edmonston: Mr. Speaker, I think what you have to look at is that when the Government of Ontario came into power it was saddled with a very serious situation that the Liberals had said did not even exist. They had left the government almost bankrupt. There was very little money.

The point I would like to make here is that sometimes there is so much expense. I know from what I read in the financial pages of the *Toronto Star* that this was a black hole and that the government should get out of it because it could not carry such a huge burden. The fact that the government did so is much to its credit.

I think what he is saying here is that our party has an ideology of government intervention, and he is right. However, I do not believe our party provincially or federally has put on ideological blinkers to the extent that it says: "No matter how much it costs we are going to stay in there". Not a all, and I compliment Bob Rae. He had a hard choice and made that choice. That is what leadership is all about.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I think the purpose of Crown corporations in this country since the beginning of time has been to use these vehicles as serving a public policy function. I think in the last few years, especially with the government's approach, we have been too easily tempted when times are tough or if a company all of a sudden showed a little bit of a financial burden to dump it too quickly. As a result we have a policy that has been instituted and implemented by this government which basically led to the dismantling of this country's finest business assets.

I am really having problems with this because as I go through the list I do not see the real benefit to Canadians by the actions that it has taken. For example, let us start off with Air Canada because it has been raised here. The first share offering of Air Canada, which is a company that the government privatized, I guess it was three years ago, was sold at about $1.50 before market share, and this was assessed by some of the best analysts in the country. The proceeds from the first offering did not go into the national treasury. They went back into the corporation which effectively inflated the remaining shares.

Look at CN hotels. I am not convinced that the land acquisition was really taken into account properly. Concerning CN En Route, we know from the many times in this House that the land was worth almost twice as much as the government received. In other words, the Government of Canada had $29 million in proceeds from the CN En Route project, but the person who bought it for the $29 million turned around and sold the land alone for close to $46 million. On it goes. Just think of all the things that this government has privatized such as Canadair, the company which makes our Challenger jet and our water bombers, Canadian Arsenals and de Havilland. It is an incredible list.

Let us look at de Havilland. Here was an instrument of public policy in which the taxpayers of Canada spent close to a billion dollars in research and development. We made some of the finest aircraft in the world, the Dash-7 and the Dash-8, and we were starting to get a full book for these planes. Now all of sudden because the Boeing company is running into trouble and is trying to stabilize its own act at home the first on the chopping block is the Canadian subsidiary.

Had de Havilland remained a Crown corporation then today we could have maintained this as an instrument of public policy and the 4,000 direct jobs in Ontario would not be in jeopardy as they are today. I give full marks to the Prime Minister and the Premier of Ontario who are in Paris today scrambling trying to save de Havilland, but

not for the Canadian taxpayer; they are almost begging an offshore buyer to come and pick up the pieces.

Here is an example in which the government, in its haste to dismantle a major piece of industry from a sector of our economy which was so vital in terms of global trading, basically acted rashly and quickly. The only people who really benefited in this particular case were the brokers. The national treasury certainly did not.

Take a look at the Northern Canada Power Commission. The government sold it to the Northwest Territories. We subsidize through transfers from the national government the Northwest Territories year in and year out. This is nothing more than a gymnastic of figures. Who is the government kidding on this? On we go with Teleglobe, CNCP Telecommunications, the Canada Development Corporation, Fishery Products International and Varity. We saw what happened with Varity. Once the final private placement was done on Varity off it went to Buffalo.

I have nothing against the decisions that businesses are taking. Once these businesses are in private hands it is the responsibility of the boards of directors of these companies which report to their shareholders to be concerned about the bottom line, about profit. The business of business is profit, but the business of government is people. That has been, should be and should continue to be, the filter that we use when we are going through the analysis of whether we should sell off or dismantle these Crown corporations.

In the case of the bill before us, Bill C-38 respecting Telesat Canada, we use a very simple example. We are talking about communications in the north. There is no direct provision in this legislation for maintaining services forever in the north. How could there be? We cannot sell a Crown corporation to a private person and then dictate what the business plan is going to be for the next 10 years. The objectives are totally different.

We may say we are going to make sure it does this for two or three years, but invariably it happens that time after time all of a sudden the particular corporation loses money. It will come back to Ottawa and get all its high powered lobbyists in place to come around and lobby us and say: "Listen, we are losing money on this company. You must get behind us. You must support the grant or the tax-free loan or get cabinet behind us if you want us to maintain our system in the north".

What do we do? We get behind them. We get behind them. In essence we have given away the control of this public policy instrument but we continue to fund it. What is the point? We are better to realize that these Crown corporations are public policy instruments. They are used to create jobs, to maintain jobs and to provide a national standard of services in some of the key sectors of this economy so that a person in Prince Edward Island can get the same kind of service that a person can get in downtown Toronto or a person in the Northwest Territories can get the same kind of service as we in downtown Toronto have. As soon as we move away the Crown corporation, the public policy instrument, and give it to a private sector outfit which has a different objective, we essentially break down the ability to deliver a national standard whether it is communication or service or whatever. The whole problem with this government is that it does not think in terms of national standards. It does not realize that by creating these national standards and services you get a national will. It is from that national will that we continue to fight against all the forces that are trying to move in and push this country around. When you break down region by region the way this government tends to do, it is very tough to keep us together. It is very tough to fight the economic forces that tend to move in on us.

• (1650)

I will give you the example of the de Havilland corporation in my city. Its skilled labour force in Toronto is responsible for the Dash-8 which is probably one of the finest aircraft in the world in terms of short take off and landing. Can you imagine that as we stand in this House we have to be worried that it may not continue as an entity? We go out there cup in hand and ask Italy and France to get a joint venture deal together and please buy out de Havilland.

The whole thing is absolutely crazy. The Canadian taxpayer invested a billion dollars in the research and development to put de Havilland on the international map. Then after all of the taxpayers' start-up costs and its key expenses have been put into the thing, a full book,

all of a sudden we turn the control over to an organization run out of the United States.

When times are tough in the United States what happens? They are not going to shut down an operation in the United States. I mean how naive can we get. They look out around the world and say: "Where can we cut costs because we are no different from anyone else? We want earnings per share". They look up to Canada and say: "Let's shut down de Havilland. Let's give away de Havilland because there is absolutely no way that it is going to help our earnings per share in the United States".

I think that this government's privatization program has been a disaster. I am not against business doing a job on its own. A government should only be operating a business if the private sector says to us that it is not profitable. If it is not profitable but we need to maintain a national service or a product that we think may need start-up costs and in the long term we can hand it over, terrific. But we are taking some of these Crown corporations that are jewels and have made the Canadian taxpayer proud. I am proud of Petro-Canada. I am proud that I was a part of the government that put the Petro-Canada package together.

There may have been some flaws in putting the deal together and maybe some of the commissions were a little excessive. But it gave us a window into the oil industry which previously had been ripping off the Canadian taxpayer to the tune of hundreds and hundreds of millions of dollars a year. Petro-Canada was a galvanizing agent in this country. It pulled us together as politicians. I know even this government, from a political perspective, has given subtle direction to Petro-Canada in terms of using it for public policy. What is wrong with the national government having a window in the oil business? There is no country in the world that does not have a strong window in the oil business. As I said earlier, we might have made some mistakes in putting the deal together, but that is no reason to try and dismantle it.

These members want to dismantle everything. This government wants to retreat from governing.

We wonder why they came to Ottawa. They are supposed to come to Ottawa to govern the country not to retreat from governing the country. If they do not want to sell it to the private sector they want to give it to the provinces.

It is like FIRA. I see the member from Calgary and I will never forget the very first night I met him. We got into a tremendous debate over the Foreign Investment Review Agency. We wanted to have checks on foreign investment coming in here. We did not just want their money. We wanted them to put money into research and development. We wanted them to do some manufacturing here.

Now what do we have? We have a situation where they can waltz into this country now and just about do whatever they want. But if times get rough there is no regulation for continuing to do business here. They just leave. That is why we have this flight of manufacturing organizations and capital, the likes of which this country has never seen before.

We had strong Crown corporations in these various sectors to try to maintain a window in these industries and use them to try to negotiate jobs. There may have been times when we sold some of those products at prices that may have been on the low side, but as long as we had people working rather than sitting at home we felt it was a good instrument of public policy.

This government must realize now that its business plan for this country is not working. It is not working in spite of the liquidation, the giveaway, the sell-off and the paper shuffle of Crown corporations. It has sold off more Crown corporations in a three or four year period than probably in the history of this cBountry.

In spite of all that, they have still doubled the debt and the deficit. They do not have a handle on the unemployment situation and they have boxed themselves in. They cannot even get any job creation programs going because they are boxed in. They cannot raise taxes because they have raised them 40 times. They cannot go to the financial markets because they are burning up their credibility there.

Why can they not review their attitude on these Crown corporations and realize that it is a phoney game to say that they are going to reduce the deficit by selling off these Crown corporations when they know in fact that is not really what is happening. It is a gymnastics of figures and it does not do a darned thing to help the balance sheet of this country. It does not do a darned thing to put

people back together. It does not do anything on a long-term basis.

Can we imagine the Prime Minister of Canada today having to almost beg to get a buyer for a Crown corporation like de Havilland? I mean it is sick. There is no way. It is one of the finest corporations in Canada, but we lost our leverage. We lost our control by selling it off to Boeing.

An hon. member: It lost a lot of money.

Mr. Mills: We did not lose any money when we put the job creation factor and the R and D factor into the pot. They talk about international competitiveness. They do not even have control of the aircraft sector when they give it away to the Americans.

If you have a marketing and sales guy to sell Dash-8s, where does he get his direction right now? He gets it from Boeing in the United States. When you control it you can put those marketing guys on the road at the Paris Air Show or wherever you go and you can fill the book. You can decide what the prices are and you can keep everybody working.

I think it is a heck of a lot better to train people and maintain skilled craftsmen than to have people on the unemployment lines. Think of the indirect jobs that you control through all of these Crown corporations.

I am not saying that I condone waste. I do not. I am not saying we could not have made these corporations more efficient. We could have. You are doing the same thing with the airport.

Look at what you did with Terminal 3 in Toronto. If the public of Canada ever knew what was going on in Terminal 3 right now there would be a revolt in this country. It is a non-optional use facility right now. You know the person who bought it cannot meet its financial regulations and you guys are in a box. You are damned if you do and damned if you do not, trying to fix the problem. That is what is wrong.

You do not see these as instruments of public policy making where you can keep people employed. I would rather have a higher deficit and have everybody working than have the deficit you have now with 2.5 million people unemployed. You have the country in a state of chronic depression and you do not know where you are going. That is the problem. You do not have a single idea over there and you have given the shop away. You have practically destroyed the country.

The Acting Speaker (Mr. DeBlois): It being five o'clock p.m., pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

UNEMPLOYMENT INSURANCE ACT

MEASURE TO AMEND

The House resumed from Tuesday, October 8, consideration of the motion of Mr. Arseneault that Bill C-211, an act to amend the Unemployment Insurance Act (temporary community service), be read the second time and referred to Legislative Committee A.

Mr. Fred J. Mifflin (Bonavista—Trinity—Conception): Mr. Speaker, I am delighted to speak on Bill C-211.

The purpose of the bill, to refresh the memory of the House, is to amend section 14 of the Unemployment Insurance Act to ensure that persons in temporary service to the community as jurors or emergency workers, in other words in a community service, are not regarded as disqualified from a benefit merely because of their participation in such an activity.

I have a number of points that I want to make in a preliminary sense, realizing that I have another nine and a half minutes to speak here. You may wonder why I am speaking on this, Mr. Speaker. There are three reasons. The first reason is that I was very impressed with the way that the member for Restigouche—Chaleur put forward this motion because I think it is a wrong that needs to be righted. It is a wrong that can be righted by the agreement of all in the House, and I will be very disappointed if I find that there is an intention to talk this bill out so that it does not really come to the point where it can in fact be effective.

The second reason is that I am familiar with the Restigouche—Chaleur area. I have spent many a day up there, going back really I suppose too long to remember. I have a great affection for the people in that area. They

are not unlike the constituents whom I represent in Bonavista—Trinity—Conception. It is not a rich part of the world. It is an area where, if there are any injustices to be righted, I think we should take all the time and effort that we can in this House to look after the little guy and the little woman. That is what it is all about and this is what we are trying to do on this side of the House. I hope that members on the other side of the House and on this side that are not in my party will pay attention to this fairly basic point in principle.

The third reason I want to speak on this is that it concerns the Unemployment Insurance Act. I have spoken many times in this House on this subject and the things that have bothered me, the people in my riding in Atlantic Canada, and I suppose for that matter all over Canada, going back to Bill C–21 and that kind of thing.

I am not going to rehash the ills of that bill but will get into the substantive debate on this issue. The government will have to recognize that there is an inequity in this particular section of the Unemployment Insurance Act. I do not think much of an effort is going to be required to change this bill.

In so doing, it will indicate some flexibility on the government side in a positive sense so that it can take the bill and make the amendments.

When any member of the community, male or female, who is drawing unemployment insurance represents their community by participating in jury duty or any other emergency community duty can be forgiven and still be considered to be employable under the Unemployment Insurance Act. In fact, when they are performing this duty, they can indeed still qualify for unemployment insurance.

What we are dealing with here is the possibility of the government showing some flexibility with respect to the Unemployment Insurance Act. God knows, it has shown a lot of flexibility in the Unemployment Insurance Act. In the relatively short time that I have been in this House, I have seen more changes made to this particular act and more changes made to what I believe was the intent of the act when it was put forward in 1940 as a safety net for Canadians who were out of work. It has made many changes and has indicated a degree of flexibility that unfortunately has always been in the negative sense.

Let me just give some poor examples. I am going to remind the government that these are poor examples. When it sits down in the sober light of dawn to look at and see a chance to continue and to discharge its flexibility in a positive sense, those people likely to be cut off will qualify under this safety net and will be given some consideration.

When I first came to this House almost four years ago to the day, indeed before I became a member of Parliament, I recall the hon. minister from Newfoundland, who was representing the government at the time, now the hon. Minister of Fisheries and Oceans, in St. John's, Newfoundland, responded to some questions with respect to free trade. I know he does not like to be reminded of this, but I do have to remind him because the content and the substance of what he said was: "You are out there worried about unemployment insurance and the safety net and the level playing field and all these fear mongers like Mifflin and all his other people that are out saying you are going to be cut back on unemployment insurance, do not pay any attention to them because I can assure you, I have it from the Prime Minister, that there will be absolutely no changes to the Unemployment Insurance Act".

That was in October. I learn now that when we sat in this House after the election of November 21, I was horrified to find that on November 22, less than a month after the minister had made that statement, the changes that ended up in Bill C–21. They were so controversial that I presented 40,000 signatures of my constituents in this House against that bill. It was in April that the hon. minister of the day, sitting over there, produced the changes that horrified this side of the House. In effect it did a number of things. What it did essentially is take the government out of unemployment insurance. It took away in my riding and particularly Atlantic Canada which was hurting very much, the job development programs on which people unfortunately and regrettably had to rely. These are gone now. We just had section 25, which really does not give employability, but just considers those who have stamps. It raises the level of those stamps. The job creation programs as I knew them and as I nurtured and encouraged them have disappeared. This has been very hurtful to my riding.

The other point that showed flexibility is that the formula for unemployment insurance is that the employer paid 43 per cent. It was 1.4 times more than the

employee, who paid 31 per cent. In those days, the government paid 26 per cent. Now the government pays nothing. It started off at $1.95 per $100 of insurable earnings for the employee. It is now going to go up to $3 which is a 60 per cent increase in three years. The employer paid $2.73 per $100 insurable earnings. It has now gone up and will go up on January 1 to $4.20, 60 per cent. That is flexibility? We can show flexibility in taking away programs from people. We can show flexibility in taking the government out of the UIC business. We can show flexibility in taking away job creation programs for people who do not have jobs, particularly in areas where the fishing industry this year and the year before is just terrible. If flexibility can be shown in the negative sense, then why can the government not now show some flexibility in the positive sense.

• (1710)

I read all the correspondence that came from Marsha Valdron to the hon. member for Restigouche—Chaleur. She was incredulous that because she performed a duty and because she was honest in what she did, she was being penalized by the system. I read all the correspondence and I read the letters that went back and forth and the system is saying to her: "Yes, but that is what the act says and besides, jury duty is a provincial responsibility".

Here is the one case where the little person has taken up the cudgel. She is saying to us in this House: "I am one of many who have been treated this way and I would like to have some redress. I would like people to consider this". Well, we are considering this and I am sure there will be a government member speaking very soon.

I know there are many government members who want to vote for this. I will be very hurt if I find that the partisan system has designated *x* number of people to vote against this, because it is no skin off the government's back to vote this. It is not going to hurt anybody to show the flexibility in a positive sense, to make allowances for those people who discharge their civic duties. I think this is one chance.

I just heard what the hon. member for Broadview—Greenwood had to say with respect to ideas and creativity. I agree with him generally, of course. This is one chance for this government to show that it has creativity and concern for the average person, what is referred to as the common man, the common person, the common woman in this case.

If the government could pause and show some consideration in this area and show some compassion and feeling for ordinary Canadians, I do not think it would do it any harm. It would do it the world of good and do the country some good at this particular point in our history.

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I am glad to participate in this debate on Bill C-211. There are fundamental flaws in this amendment to the Unemployment Insurance Act. This bill seems laudable in theory, but in practice it promises chaos.

This bill threatens to open up a Pandora's box of parallel amendments that would burden the UI system with complex administrative spinoffs and open-ended cost increases.

The response must clearly be to reject this well-intentioned but ill-conceived legislation. In support of rejection, my colleagues in this House will be presenting sound jurisdictional and financial arguments. In rejecting this bill, we would like to make it clear, if any doubt still remains, that we have no argument with the general objective implicit in the proposed amendment.

A more relevant, less financially punitive system of compensation for Canadians that fulfil temporary civic responsibilities and community services such as jury duty and fire fighting, is a concept few of us here today could disagree with. That point was made repeatedly on October 8 when C-211 first came before the House. There can be little question that compensation must be raised to more realistic levels to ensure that community and civic services retain their essential place in Canadian society.

However, applying this compensation to the UI program remains not only inappropriate fiscally and jurisdictionally, it also plants the seeds for a scenario of inexorable add-ons to a social safety net already straining at the seams. The current bill for our UI program is $20 billion. If we open up the compensatory door suggested by C-211, an over-burdened program could find itself subject to a blizzard of so-called special cases that would end where, we do not know.

Leaving aside for the moment the administrative implications of this scenario, the fact is that adequate compensation for civic duties is not in any case the responsibility of the unemployment insurance program. Yes, there is a real problem in the low rates of compensation paid through provincial justice systems, but the solution to this problem surely does not rest with the unemployment insurance program. Yes, the compensation paid by the provinces to Canadians serving on juries is generally far less than UI benefits but the question the House should be asking is: Since when were UI benefits designed to subsidize provincial judicial systems?

In each part of the country it is incumbent on the provincial or territorial authorities to look closely at jury duty compensation schemes and adjust them to more accurately reflect the needs of those fulfilling part-time civic and community duties. Quite obviously it is not through the resources of the unemployment insurance system that we should be addressing the question of compensation for fulfilling a civic duty.

It is within the judicial system of each province that the resolution for this problem lies. This is the appropriate course jurisdictionally. Of that there can be little question.

It is also appropriate from a practical point of view because it is simply much easier to resolve this problem through relatively straightforward administrative changes at the provincial or territorial level than to try to deal with it through the UI system.

Amendments are intended to refine, clarify or somehow improve existing legislation. This amendment if adopted would not improve in any way existing UI legislation. Rather, it would severely complicate it which should not be the effect of legislative amendments presented before this House.

This amendment through its emphasis on the creation of an increasing number of exceptions does nothing to help the UI system to better serve Canadians. It simply asks the system to do things for which it was not created and is not responsible.

The question before the House is: Do we embark on rewriting the Unemployment Insurance Act or do we suggest in the strongest terms to the provinces and the territories that they compensate people fulfilling their civic duty at rates consistent with 1991 wage levels? This question of adequate compensation is an important one and the hon. member should be commended for bringing it to the attention of the House. However, Canada's unemployment insurance system is clearly the wrong tool with which to tackle the problem.

I urge the members of this House to ask themselves again: What does this legislation mean? I urge them to ask: Where would it end? I urge them finally to let our unemployment insurance system do its job and let the provinces do theirs.

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I am very pleased to have the opportunity on behalf of my colleagues in the New Democratic Party to address and support Bill C-211, an act to amend the Unemployment Insurance Act. For the record, I would simply like to read in the additional words to be added to section 14 of the Unemployment Insurance Act by the bill before us.

It says under section 14: "A claimant is not entitled to be paid benefit for any working day in a benefit period for which the claimant fails to prove that the claimant was either (a) capable of and available for work and unable to obtain suitable employment on that day (b) incapable of work by reason of prescribed illness, injury or quarantine on that day and that he would be otherwise available for work". It would add to that the provision "(c) engaged in jury service or (d) serving temporarily as a result of an emergency as a fire fighter, flood control worker, rescue worker, provider of food or shelter or other such worker for the community".

My colleague across the way just said that the UI act and the unemployment insurance system was the wrong tool and suggested that when the unemployment insurance system was first devised, it was not created for such a purpose as illustrated by the bill before us and it was not responsible for looking after such things as jury service, emergency services or compensating people for engaging in such necessary public interest actions.

Over the years, while it may not be the best social cost accounting we have added, under several different governments of at least two different stripes, a number of

objectives and a number of reasons for receiving UI benefits under the Unemployment Insurance Act. These objectives also have nothing to do with the original reason for putting unemployment insurance into place. For us to now say that it is the wrong tool I think is attempting to rewrite an awful lot of history. We and all parties have found it very convenient to use this system to compensate people for a number of reasons that have nothing to do with the vagaries of the marketplace and whether or not an employee or a group of employees find themselves out of work through no fault of their own.

• (1720)

For instance, we have added sickness leave to the unemployment insurance system. What that has to do with the vagaries of the industrial marketplace I do not know.

We have added maternity leave to the UI system. What that has to do with the vagaries of the marketplace I do not know.

We have added job training and what that has to do with someone being out of work through the vagaries of the marketplace I do not know.

There is the matter of relocation of employees from one section of the country to another. We have subsidized the wages of employees through job training. We have subsidized, over the years, the wages of employees in job sharing scenarios.

These are all in terms of social cost accounting the kind of activities which would more properly have been borne by the general revenue of the nation and not by a system which raised its moneys largely in the past through the contributions of the employees and employers with no regard to ability to pay.

Now we have had the government retreat from any public subsidy of this system. We have collectively agreed that all of these various obligations regarding sickness insurance, maternity insurance, job training payments, subsidy of wages for job sharing and the subsidy of job training, which it could be argued should be part of the education system, by vote of this House on a number of occasions that these will all be paid by contributions of employees and employers.

Having agreed to all of that because we have found this a very convenient system in which to attach these various schemes which we had deemed to be in the public interest, what causes us now to say: "Oh, this is an inappropriate mechanism". If we are going to argue that let us be consistent and put all of these other matters back in the regime which provides for their financing out of general revenue and not simply payments from employees and employers without any regard to their ability to pay. Those are societal responsibilities.

If we are not going to return all of these to being financed out of general revenue, what is wrong with adding what is going to be a relatively minor cost to an area which obviously is one of some shared responsibility?

The minister in his letter to members of Parliament on October 8, 1991 suggested that the subject of juries and jury duty falls under provincial jurisdiction. Well that may well be so, but the Criminal Code and the criminal law and the administration of justice is certainly a matter that falls very much both within provincial jurisdiction and federal jurisdiction. It is, therefore, quite appropriate we feel that a measure to provide those who are fulfilling a mandated public responsibility by serving on juries or serving in various emergency services required by their communities, and certainly endorsed by both the federal and provincial authorities, should not be penalized for fulfilling their public obligations.

While the provinces certainly have not borne what most of us would regard as being an appropriate share of any burden to see that Canadians that take part in these activities are not penalized for doing so, and certainly the rates which they provide under the various provincial jurisdictions should be increased, that does not let the federal government off the hook for contributing what should be its share of seeing to it that persons who do fulfil their public duty in the ways pointed out by this Bill C-211 should not be penalized for so doing.

We agree with the goals. We in the New Democratic Party also believe in a UI system which has been conveniently used, and many would argue properly used, to assist Canadians on a wide variety of endeavours which we in this House and people across the country have deemed to be appropriate and in the public interest. We also agree that the matter of serving on juries and the question of providing emergency services are also areas for which Canadians have a right to expect that they shall not be penalized by actions of this government, either by omission or commission.

[*Translation*]

Mr. Gilles Bernier (Beauce): Mr. Speaker, I welcome the opportunity to take part in this debate on the bill introduced by the hon. member, a bill whose intent will, I am sure, be applauded by all members of this House.

However, we must be able to rely on citizens who act responsibly, who are called for jury duty or who give up some of their time to help members of their communities.

This country has over five million volunteers, and I think I am not overstating my case when I say that these people represent the very essence of civic duty in this country. I am sure all members will agree that the volunteer concept contributes immensely to the quality of life of Canadians.

The issue is not whether citizens on jury duty or working on a volunteer basis as firefighters or rescue workers, for instance, should be compensated through the unemployment insurance plan. Of course they should. The question is whether the hon. member's bill is the right way to deal with this problem.

We are all familiar with the role that insurance plays in our lives. Almost all Canadians have some kind of insurance policy: life insurance, home or accident insurance, automobile insurance and unemployment insurance. We pay our premiums and we receive payments when necessary.

However, Mr. Speaker—and I am convinced this is an important point—we can only receive payments if we observe the terms of our insurance contract. The insurance company may sympathize with our situation, but if we do not meet the terms of our insurance policy, we cannot receive compensation. Private sector insurance could not survive if it made an exception every time a customer argues that he is entitled to compensation although he is not eligible under the terms of the insurance contract.

Since the Canadian government is financially responsible for its programs, they must be administered in the same way. There are criteria for every government expenditure. The federal government would be accused, and rightly so, of being financially irresponsible if it did not require claimants to at least observe the eligibility criteria.

The hon. member argued that his bill would change the criteria and allow unemployment insurance recipients who are on jury duty or who work as volunteers on an emergency team to receive benefits. However, I may remind the hon. member that although other members and I fully support the purpose of this bill, we do not think the amendment to the Unemployment Insurance Act is in order.

The Unemployment Insurance Act is supposed to help workers that are temporarily unemployed and are seeking employment. Canadians do not pay unemployment insurance premiums to compensate jury members or volunteers that work here and there, praiseworthy though their work may be.

What, in fact, would be the impact of Bill C-211? Let's think about it. Would the repercussions of this amendment to the Unemployment Insurance Act be as simple as they look? What could be the consequences for the government if this bill were passed?

• (1730)

Let us look more closely at the bill put forward by our colleague. Under paragraph (c), UI benefits would be paid to persons who could be, and I quote:

—engaged in jury service.

Now, Mr Speaker, for how long? The way the government looks at this matter is not unreasonable. We already give two days of grace, which is a reasonable period, before questioning the claimant's availability.

The hon. member's bill does not provide for any time limit for the period where the UI claimant could serve for jury duty while drawing benefits.

A policy without strictly defined limits would simply not be practical and definitely would be irresponsible. Some trials drag on for months. The provincial judicial systems are responsible for jury service. The benefits paid by the federal government under its unemployment insurance plan were never intended to compensate citizens called up for jury duty for indeterminate periods because provincial governments would not pay them sufficiently.

Let's take paragraph (d) of Bill C-211. Under this paragraph, unemployment insurance benefits would be paid to a claimant, and I quote:

—serving temporarily as a result of an emergency as a firefighter, flood control worker, rescue worker, provider of food or shelter or other such worker for the community.

What do we mean by temporarily? A fire in a house might last just a few hours, but the time required to control a forest fire depends on the weather conditions as well as several other factors.

My colleage will surely agree that the unemployment insurance plan could be faced with a considerable increase in costs if the word temporarily meant indefinitely.

Under paragraph (d), benefits would also be paid to a claimant "serving as a provider of food or shelter or other such worker for the community". What does my colleague mean by other such worker? What are the limitations of that volunteer work?

The bill gives great discretion as regards the interpretation of that clause. There is no question that the intention of my hon. colleague is praiseworthy, but to pass this bill might be like opening a pandora's box and create a real administrative and financial nightmare. And how many people would benefit from these provisions in the bill? Probably not a large number, not enough to justify the additional administrative costs that would result from the implementation of these new provisions.

As I said, we are all grateful to the citizens that show public spiritedness. These people show a dedication that is largely responsible for the strength of our great nation. However, the Unemployment Insurance Act is not the channel that must be used to insure, to reward or to protect the salary of jurors or volunteers, regardless of their contribution to our society. If we eliminate the requirement to actively look for a job, we run the risk of transforming unemployment insurance benefits into a form of welfare assistance, and that is not the reason why Canadians contribute to the unemployment insurance program.

The bill introduced by the hon. member is well–intentioned, but it has nothing to do with the administration of the Unemployment Insurance Act. After all, people on a jury do have a job, even if it carries extremely low compensation. It would run counter to the principle of the act to pay benefits to a person with a job. The problem the hon. member is trying to deal with should be raised with provinces because they are the ones who give a meagre compensation to jurors in their judicial systems. The hon. member should look at it this way: since the responsibility lies with the provinces, he should submit his very worth while proposal to them.

So I am sure that if our colleague withdrew his bill, he could easily obtain a lot of support to explain the situation to provincial governments and to ask them to examine their policy with regards to the remuneration of jurors and of volunteers involved in community service.

I am certain, Mr. Speaker, that our colleague will get considerable support on this issue. But it is essential to bring the issue to the attention of those who have jurisdiction in that area and can study the matter. That means that this issue has to be submitted to the provincial legislatures, not to this government.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, first of all, I would like to publicly congratulate my colleague from Restigouche—Chaleur for an initiative I found very laudable. Why? Because it tries to correct an injustice.

I have heard all the hon. members who have addressed the issue so far and have supported it. They wholeheartedly agree with what he is trying to achieve, that is to correct an unfair situation occurring at this very moment. But as they often do, they even blame the bureaucrats sometimes for doing so, they say it is not clear enough, it needs to be better defined, if we do this, we might create some other problems. I say let us go ahead, let us do something. We are faced with an injustice, something that should not happen.

And here my colleague has suggested a solution. I congratulate him for doing so. Let me tell you something else.

[*English*]

It is not just myself or my colleague and others who have said there is a problem here which needs correction. I would like to quote from a document. It is a newspaper article which calls the UI rule stupid.

Who would say such a thing? A judge who excuses potential jurors because he really felt that this particular rule, one which denied benefits to people who served as jurors or emergency workers, was incorrect. He felt even more strongly than I did on that particular day because he called it a stupid rule.

What happens? You receive unemployment insurance if you are without employment, if you paid sufficient benefits. A person may be called away for jury duty or some other emergency work such as fire fighting or what have you. If that were to last more than two days one would lose the benefits. One would lose the benefits, but one would also be unable to look for work and obviously, if you are fighting fires or serving on jury duty, it is very difficult to be looking for work.

It is an injustice. It is not correct. It is inappropriate and something must be done.

Let us review together, just so that we do not lose sight of what my colleague from Restigouche—Chaleur was attempting, the purpose of the Unemployment Insurance Act. The purpose of the UI act was "to promote the economic and social security of Canadians by supporting workers that lose their jobs".

If you have lost your job and you are getting this kind of benefit and you do your community work, your civic duty, clearly you ought not to be penalized. Some of my colleagues have indicated that there are other ways of compensating. I suspect, although I cannot speak for my colleague, that what he wants is the situation corrected. This is one way of correcting it. If others, particularly government members, want to bring forward bills that will correct it, we would be delighted to look at them. However we do not want just talk. We do not want just evasion. We do not want people side-stepping the issue. We want people dealing with it head on.

People who are unemployed or who are called away to do civic duty about which they have no choice basically but to say yes, and they probably want to, should not be penalized because they do what the community, the province or their country requires them to do.

Let me remind members as well of another very important fundamental principle of the Unemployment Insurance Act. Equity has always been an important part of unemployment insurance. Many amendments were made to eliminate the inequities contained in the original legislation. Interesting. There was a reduction in waiting periods during the 1950's, more categories of jobs became insurable. Additional contingencies of sickness, maternity and retirement were covered. Entrance requirements were lowered and benefit rates became more generous.

• (1740)

I point that out because clearly what my colleague is seeking is not unusual. It is not off the wall. These amendments were brought forward to correct injustices, inequities to make the system more just, and that is what my colleague from Restigouche—Chaleur is attempting to do.

I want to remind people as well that the Unemployment Insurance Act is intended to provide income security to citizens, not penalize them when they are under obligation to exercise their civic duties. That is the crux of the matter. That is the very heart of it.

All members of Parliament have constituents that may be faced with having to carry out their civic responsibilities either as jurors or emergency workers. Therefore, members from all parties it seems to me should support a bill which intends to address an injustice, a glaring inequity.

I just cannot believe we could not come to some agreement here. Either we support this particular bill, or we come forward immediately with another avenue that will in fact do the same thing. Let us not penalize people who do their civic duty.

I want to remind colleagues as well, and I want to quote my colleague's press release: "This amendment that has been brought forward will ensure that persons in temporary service to the community, such as jurors or emergency workers are not regarded as disqualified from unemployment insurance benefits because of their participation in such an activity".

That is the crux, that is the issue, that is the centrepiece. That is what we want to do.

[*Translation*]

I think we have here an incredible opportunity to address a very minor issue, that is so important for many people, and to correct an injustice. Why should we not go ahead? Why not agree for once on an issue like this one, on something that will allow us to correct an injustice? We all agree that people who give some of their time to their communities, their province, and their country, should not be penalized? Why not correct this situation?

[*English*]

This bill, it seems to me, is so commonsensical that we should not even be taking the time to debate it. I do not say that to denigrate the bill because it does address a very important question.

This makes so much sense that there ought to be a mechanism when a colleague comes up with such an idea. It ought to go through that mechanism and be dealt with like that, quickly, immediately: correct it.

If all parties cannot agree here on this one issue, this issue that deals with men and women across the nation, this small issue in relationship to those other issues that we have to deal with but an important one to those people who it touches, how could we possibly dream of coming to some agreement on the big question?

[*Translation*]

Whether it be major constitutional issues, the economy, social programs, the environment or other key matters which affect every Canadian, if we do not manage to agree on a simple question of this importance, I believe that it will be very difficult indeed to find solutions to the other major issues.

[*English*]

I am here and I notice I have just a bit of time left. I would not only propose that we go forward with my colleague's bill, my colleague from Restigouche—Chaleur, but I would suggest that we take an opportunity to study the whole of the UI bill after we pass this one.

What he is doing is laudable. It needs to be done. We all know that there are a number of problems with the Unemployment Insurance Act: part-time workers, the variations that exist, the number of hours that you have to work and whether or not you will qualify or not qualify, the ability to upgrade when you are collecting unemployment insurance so that you can in fact hope and dream of a better position later on, the adequacy of the amount that you receive, the whole notion.

My colleague has reminded me of adoptive parents and the contradictions that exist there. I would suggest that we take this particular example, pass it and begin the process of reconstruction.

[*Translation*]

Let us try to deal with this issue so we can move to other major concerns. Let us set our house in order. Let us make sure that Canadian men and women who need help will get it in an efficient, adequate and timely fashion.

[*English*]

I ask my colleagues to do everything they can to make sure that this bill that my colleague from Restigouche—Chaleur has brought forward will correct an injustice in the Unemployment Insurance Act.

Mr. Al Johnson (Calgary North): Mr. Speaker, I am pleased to be able to speak today on this well-intentioned bill. I congratulate the member for Restigouche—Chaleur. It is bills like these that entitle a member of this House to truly deserve the title "honourable".

I do not think anyone here would disagree when I say that the intention behind this bill is an honourable one.

We do not vote on bills solely on the basis of their intent. To do so would be an abdication of our responsibilities. Rather, we scrutinize proposed legislation and having done that, I must say that I believe this bill should not be supported by this House. The reason I say this is primarily a technical one.

First, Mr. Speaker, I invite you to consider the impact of this bill on a program that is funded by two large and important sectors, Canadian employers and Canadian workers. With that in mind, I would like to address the financial implications of this motion on the unemployment insurance program. In doing so, I hope to convince my colleagues that this motion is not viable in today's economic climate, nor is it appropriate in that it crosses into and usurps provincial jurisdiction.

How much would it cost to implement this motion? That is not the essential question. For example, we are unable to estimate the cost of paying UI benefits to volunteer workers, although we do know that it would cost some $2.2 million to extend benefits only to those UI claimants who sat on jury duty in the last fiscal year.

By government standards, $2.2 million may not seem like a large amount of money, and it is not, especially in a $20 billion program like unemployment insurance. But that is not the important issue. The essential question is: What is the purpose of the UIC program and the

jurisdictional responsibility for it, for jury service and for community services?

If we are to judge the motion based solely on the dollar amount for jury duty, I am sure that many members would vote in favour of it. I must warn members, however, that when you look exclusively at cold, hard figures you run the risk of not seeing the broader picture. Therefore, it is critical that we examine other factors which must be taken into account.

Mr. Speaker, you just heard my colleague discuss some of the ramifications of this motion. His remarks clearly indicated that its passage would have numerous spin-off effects. In other words, if this motion passed then future sittings of the House would undoubtedly end up discussing similar such requests and the question of extending UI benefits under other circumstances would be raised again and again.

If we are going to talk about government support for charities or even churches, I would say parenthetically that I would support doing away with the present system of tax credits for charitable donations and donations for churches in favour of a matching dollar program for real charitable work, where community service is being delivered with no more than 20 per cent overhead, instead of making contributions to religious activities. But that is another issue for another day.

Returning to the issue at hand, if requests started to multiply, what would then be the cost? Obviously, neither I nor members on the other side can answer that question. I can guarantee that it will be much higher than the figure I mentioned a moment ago. I hope this will give food for thought to those hon. members who are unequivocal in their support of this motion.

At the very least, I would ask them to contemplate the consequences on those who must contribute a portion of their weekly earnings in supporting this insurance program. As you know, Mr. Speaker, the UI program is financed through premium contributions made by the nation's employers and workers. The federal government provides interim financing, some $1.3 billion in 1992, but ultimately it is the workers and employees who finance the program. I am sure that members would agree with me that Canadians who pay those premiums would be quite apprehensive if any additional burden were placed on the UI program, especially when the cost of that burden cannot be actively calculated.

• (1750)

This is particularly true in light of the announcement made yesterday by the Minister of Employment and Immigration. As you know, he stated that the unemployment insurance premiums of both workers and employers will rise in 1992 by some 7.1 per cent, I believe it was. I know how reluctant the minister was to make that announcement, but he had no choice. The UI fund is currently operating at a deficit and even the announced premium increases will not reduce that shortfall, they will only maintain the deficit at a manageable level.

Given this reality, I feel it would hardly be prudent to place additional pressures on the UI fund. We simply cannot afford it. It becomes even harder to justify increasing UI premiums when you consider that the money would be spent in areas that clearly fall under provincial jurisdiction.

The comments about fire fighting had me particularly confused because when I was a young geologist I used to work in northern communities quite frequently. Very often unemployment insurance credits were earned during fire fighting. If we made unemployment payable for people who were on fire fighting duty we could readily see that the provincial governments would suddenly refuse to pay people and just conscript them into that service.

Compensation for jurors and emergency volunteer workers is a provincial responsibility. Under these circumstances, how can we expect the federal government to impose higher premiums on Canadian workers and employers? Should we ask Canadians to incur a higher deficit in the UI fund? I think not.

In closing, I would like once again to acknowledge the hon. member's intentions in sponsoring this motion, but it is clear that his idea is simply impractical and detracts from the real purpose of the unemployment insurance program, which is to protect unemployed workers while they look for a job.

Mr. Dennis Mills (Broadview—Greenwood): I would like to compliment my colleague from Restigouche—Chaleur for this initiative, an act to amend the Unemployment Insurance Act for temporary community services.

The member from Calgary North began by saying that he saluted the initiative of the member for Restigouche—Chaleur as well-intentioned, and then in the end he sort of said that it was not practical. What is the purpose of this House of Commons if we are not here to craft and amend legislation? When we discover flaws in the legislation, what is wrong with having these legitimate debates where the government can perhaps show some good faith, and instead of just debating them in a token fashion, say: "Let's work together and we are going to get this amendment through". This bill is not going to shake the fiscal framework of this country. I was amused by the remark earlier of the member from Markham. His rationale was that by amending this bill, where would it lead to? It could lead to further amendments. I must be losing it, because I thought we were here to craft and amend legislation.

This week I had a constituent come in to my office and he talked about the flaw in the UI legislation related to adoptive parents, where adoptive parents do not get the same benefit as natural parents. I must have been asleep or something the day that particular piece of legislation went through. That is a real flaw in the legislation. I am going to be asking the Law Clerk if he will help me to prepare an amendment to the legislation.

I cannot believe that anyone on the government side is going to put forward an argument that because of the fiscal constraints we are under, we are going to have a different law for adoptive parents. That is just not good logic.

It seems to me that when we have an amendment like this, it is an opportunity for the government to practise what it has been preaching in the last two weeks. The government has been talking about putting some goodwill and spirit back into this country and showing that we are acting in a fair way.

Mr. Johnson: Talk to Mr. Chrétien about that.

Mr. Mills: I would be happy to talk to him about that.

An hon. member: He cannot support this bill.

Mr. Mills: He does support this bill. There they go again, Mr. Speaker. This idea of goodwill is only one way. They expect us on this side to wimp out on every piece of nonsense that goes on on that side of the House. It is like the government House leader when he talked about decorum. It is all words. He never meant it.

They talk about my leader. I think it is fair ball. We are all human. I think the Leader of the Opposition has basically said that the frustration that they are causing not only the people of Canada but us as members of Parliament from time to time is such that we sort of bolt.

Mr. Johnson: Possibly trying to manipulate the destruction of the country.

Mr. Mills: The member for Calgary North now is really losing it. Here we are talking about a simple amendment to the Unemployment Insurance Act and he is linking an amendment to this act and the destruction of the country. That is not really what it is all about. I cannot believe it.

The member for Restigouche—Chaleur has obviously been hearing from his constituents and has used the process of this House of Commons and there is not an ounce of goodwill. I am telling you right now, Mr. Speaker, here is a simple amendment to the Unemployment Insurance Act where we are asking the government an easy thing. Do you know what is incredible about this? The minister responsible is from the same province, from New Brunswick and we cannot get these men and women to put some pressure on the minister. It is a ministerial stroke of the pen to amend this.

It is token goodwill. It is not even a big deal. But no, they get set in their ways and say that it is impractical, where would it lead to. Obviously I get a sense that there is not going to be a lot of movement over there. It is no wonder why sometimes we throw our hands up in

frustration and wonder what the heck we are doing in this House. I just hope that maybe there can be a moment of reflection on that side of the House that they will consider looking at this and consider the fact that fighting for amendments whether it is for volunteers like this, or even for the adoptive parents, rather than us coming to hit them on the head from time to time, why do they not show some initiative on their part and say: "Listen, there is a flaw in this legislation and we want an amendment. Let's get it through and on with it and let's figure out ways in which we can get people back to work".

• (1800)

Mr. Lee Richardson (Parliamentary Secretary to Minister of Transport): Mr. Speaker, we are not going to have nearly the time I would like to get into this bill. I was very impressed with the arguments of my colleague, the hon. member from Calgary North, when he talked about the economic consequences of such a bill.

Although many on this side of the House, as well as on the other side, agree with the sentiment expressed by the hon. member for Restigouche who raised this motion, I think perhaps his good intentions are misdirected. If his concern is with those citizens who are called upon to do jury duty and/or fight forest fires, I think it is true that pay for jurors and emergency workers is often less than they might get on unemployment insurance. But is that the fault of unemployment insurance or is that the fault of the provinces that do not pay sufficient funds to people who are on jury duty or are on emergency duty, such as fighting forest fires?

I doubt whether the member would have even had a complaint from his constituent if in his province they paid jurors more than people on unemployment insurance. So that is the problem he wishes to address. It is not a problem with the unemployment insurance bill. It would add again to the deficit of the unemployment insurance. The Liberal Party again wants to add to the deficit of unemployment insurance or simply—

The Acting Speaker (Mr. DeBlois): Order, please. 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 list of the order of precedence on the Order Paper.

Adjournment

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

SOVEREIGNTY

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to rise this afternoon in relation to the approval process provided by the Government of Canada to the United States military for Trident nuclear submarines to pass through Canada's sovereign internal waters at Dixon Entrance.

The history of the boundary, the A–B line and this body of water which is sovereign and internal to Canada, is one of a trail of bullying, broken promises, treachery, deception, lies and treason, and it carries on to this very day.

On October 2 in the question that is being covered again this evening, I asked the Prime Minister why he and the government were proceeding to approve the transit of these U.S. nuclear submarines through Dixon Entrance. The Minister for International Trade responded for the Prime Minister and simply said, and I quote: "Discussions are ongoing".

In the August 28, 1991, cabinet document, which I will be providing today to *Hansard*, it says:

> Given that a Governor-in-Council decision is soon going to be announced regarding the transit of nuclear submarines through Dixon Entrance—

That quote makes it quite clear that a decision had already been reached, certainly within the bureaucracy, and I suspect at the ministerial and cabinet level as well. So I pursued it and on November 1, at page 4371 of *Hansard*, I asked the Secretary of State for External Affairs:

> Have there been submerged U.S. submarine transits of Dixon Entrance in the past two years?

The minister said and I quote: "My understanding is no".

On October 30, the same minister announced an Order in Council providing consent for U.S. nuclear propelled submarines to pass submerged through Dixon

Entrance. It raises a very fundamental question, Mr. Speaker, of who is in charge? Who is in fact in charge? Is it really possible that on October 30 the Secretary of State for External Affairs would announce blanket prior consent for U.S. nuclear submarines to go through Dixon Entrance and actually expect members of the House of Commons and the Canadian public to believe that she had never been informed and simply did not know that the U.S. navy had been illegally transiting Dixon Entrance on a regular basis for the previous two years? I somehow think not.

We have to ask why was the deal hidden?

I would like to reflect for a moment on the words of the former secretary of state, the Right Hon. Joe Clark, as recorded March 23, 1987 at page 4447 of *Hansard* when he was questioned by the previous member for New Westminster—Coquitlam, Pauline Jewett, in relation to the polar sea and Arctic sovereignty. Ms. Jewett asked:

> Can we have the assurance that some secretly negotiated agreement will not be sprung on the Canadian public at that time?

Mr. Clark said the following:

> The assurance is categoric. There will be no secret agreements sprung upon anybody. I take very seriously, if I may say so, the obligation on these matters with respect to the north.

He goes on to say that it is the practice of this government, which has asserted northern sovereignty, to consult extensively with all those Canadians who are interested.

There was no consultation. It was secret. There has been no environmental assessment and there must be because, as I pointed out before, in just one recent four-year period these very same U.S. nuclear submarines have been involved in over 400 accidents; 12 groundings, 50 collisions, 113 onboard fires, 14 onboard explosions and 31 onboard crew suicides.

The people of British Columbia and the people of my constituency deserve a risk assessment, an emergency preparedness assessment, a full environmental assessment and review that is public. This government cannot keep these kinds of issues secret. We deserve to know publicly what is going on.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, we may want to dispute with the hon. member some of the alleged facts he puts forward today.

One thing that there is not a dispute about and with which we agree with him totally is the sovereignty of the A–B line, the boundary between the United States and Canada in the upper coastline of British Columbia. That is indisputable. Canada has never wavered from that position. It is an internationally agreed upon boundary which is nearly 100 years old. That is Canada's boundary and there is no dispute about that.

There is a dispute, however, first of all, about the comparison he makes between this issue and the polar seas. That is not a NATO exercise, that is not a NORAD exercise, that was a sovereignty issue between Canada and the United States. The former Secretary of State for External Affairs was accurate and categorical in the statements he made on that issue.

This issue regarding submarine traffic in the Dixon Entrance has to do with our agreements with the United States through NATO and NORAD. It is not only U.S. subs that have gone there but other NATO subs have been there. So if I might put a pun on it, to polarize the issue as a Canada–U.S. issue is not accurate and it does not stand scrutiny under fact. To raise bogus alarmist stories about fires on these subs when he does not say whether it was an ash tray or a steak in the galley or sub-machinery related fires is alarmist and it is unconscionable for the member to do that.

I would say that yes, there is an agreement between Canada and the United States through the NATO agreement. Yes, there has been an environmental study conducted and, yes we are going to continue this. It is not a Canada–U.S. issue, it is a collective security issue which Canada plans to honour.

EMPLOYMENT

Hon. Alan Redway (Don Valley East): Mr. Speaker, the Kendall Company established a manufacturing plant in the city of Toronto about the year 1916. It moved in 1953 to East York which was then a suburb of the city of Toronto and is now one of the six cities that make up metropolitan Toronto.

Two years ago, Kendall employed some 700 persons in its East York plant manufacturing bandages, dressings and medical supplies. Two years ago our government gave Kendall $1 million to move its East York operation to Peterborough, Ontario and to establish a brand new

manufacturing operation there. With Canadian taxpayers' money, including the tax money of those 700 employees in East York, Kendall closed its East York plant. It laid off 700 people, established a new manufacturing plant in Peterborough and hired another 200 people there. That was two years ago.

• (1810)

In September of this year Kendall announced that it was closing its new manufacturing facility in Peterborough altogether, laying off 165 employees and moving its production to the United States. I wish this was an isolated case but it is not.

Our own government says that over the last two years there has been a net reduction in manufacturing employment in Canada of about 195,000 jobs. In fairness, thousands of jobs are lost every year whether it is in good times or bad.

In fairness, over four million Canadians change their jobs every year. In fairness, manufacturing employment as a percentage of the labour force has actually been declining since 1950 when it was 26 per cent and today it is only 16 per cent. In fairness, the United States also lost about a million manufacturing jobs over the last two years. And in fairness, in spite of the loss of manufacturing jobs there has been a net increase in the total number of jobs here in Canada.

Mr. Speaker, you and I know that none of that helps if you have lost your job, if you have received your lay-off notice or if you are afraid that you are going to lose your job or somebody in your family is going to be losing their job very soon.

What is the government going to do about it? I have suggested that we can stimulate demand, create jobs and get the economy moving again by perhaps using the 5 per cent down payment, the registered retirement savings plan as down payment, lowering the differential on the interest rates between Canadian and U.S. dollars and providing short-term loans, not grants, to manufacturing businesses that need help to survive in the short term.

So far the government has refused to act on any of these suggestions. I have not heard any brilliant ideas from the government except: "We will keep lowering interest rates". Interest rates going down did not solve the problem in the 1930s and so far it has not solved the problem today.

What does the minister have in mind?

Adjournment

Mr. Bill Domm (Parliamentary Secretary to Minister for Science): Mr. Speaker, first let me point out that when Kendall announced some two or two and a half years ago that it was closing its operation employing some 700 people, at that time IRDP was in place, the Industrial Regional Development Program, and Peterborough was eligible for that funding to locate industries in an area of high unemployment.

I am happy to report that as a result of IRDP, which we no longer have and maybe I could support my hon. friend in reinstating IRDP, 26 projects located in the Peterborough area representing a capital investment of some $8.836 million.

In my conversations with Kendall today in Peterborough it advised me that it is retaining its own factory and property. It is not putting it up for sale. It is employing over the next number of years a minimum of 107 people and will be engaged in the process of distributing coast to coast in Canada out of the Peterborough operation with 80,000 square feet of space being used.

In addition, it found it necessary to rent the other 80,000 feet of space which it owned and is installing at the moment some high-tech equipment so it can handle a very involved cross-Canada distribution program. With modern telecommunications it is now able to receive phone calls from any hospital in Canada direct to that factory, and it is going to maintain warehouses in both Moncton and one other part of the country. It is retaining those outlets for distribution in Moncton and in the west.

I am pleased to announce that Kendall expects to continue its program. I can advise the member that the government has investigated the investment of $1 million and on a preliminary, cursory view it is prepared to recommend that it lived up to its agreements under the IRDP. It is not intended to—

[*Translation*]

CANADA POST

Mr. Guy H. Arseneault (Restigouche—Chaleur): Mr. Speaker, on June 10 I gave notice of my intention to raise during the adjournment debate the issue I raised at the time.

On June 10 I asked the government what it intended to do about saving the jobs involved in manual sortation at the Cambellton post office. This question was further to a press release issued by the Canada Post Corporation on May 7, announcing measures to rationalize mail

processing which would eliminate more than half of the staff at the Campbellton Post Office.

The government's response was predictable. The minister showered me with platitudes about the use of technology to increase efficiency at Canada Post. However, he conveniently forgot to answer my question about job losses in a region that has a very high level of unemployment. When I waved a letter under his nose from the office of the president of the Canada Post Corporation, indicating that the latter had no intention of removing sorting operations from Campbellton, he again evaded the issue by referring to what the Liberal government did 10 years ago about political interference in the Canada Post Corporation.

[*English*]

The reason for my question on that date was that I had received a letter from Canada Post. Rather than read it all I will just read the last sentence. It says:

> Dear Mr. Arseneault:
>
> I can assure you that we have no plan to remove sorting operations from Campbellton.

Following that there was a press release by Canada Post basically stating the opposite, telling us that there was going to be downgrading of sorting operations in a number of communities across Canada, Campbellton being one of them.

I immediately requested a meeting with Canada Post. In all fairness, I should say that Canada Post responded very quickly and came to the riding to meet with the member of Parliament, myself, and a number of other individuals. I want to be on record now as thanking Canada Post because as a result of that meeting there was a partial reversal of that decision.

However, I must still remind the government that I did have a commitment that there would be no loss whatsoever. A partial reversal in my mind is not good enough.

Specifically from the government we heard that the reasons for doing this was technology. I am not against technology but I ask: Does technology require that you have to go into a post office, buy a stamp and then go outside to mail it when the post office is open? Is that technology? Is technology the lack of mail boxes in rural Canada? Is technology closing post offices? Is technology rewarding your management for all the major cuts it has been making across the land in Canada Post and trying to get back at the union members?

I hope that I will get a more direct answer this evening. I hope that Canada Post would plainly say that there would be no loss of positions at the Campbellton post office, because that was the original commitment.

In closing, I should say that I have another commitment from Canada Post in our riding. I was told that I would be informed of any changes in my riding with regard to Canada Post. I was just informed yesterday that effectively there has been a cutback at the Nash Creek post office, a reduction of hours for some employees. I would ask again that Canada Post reverse that cutback.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, I note with interest the hon. member's concern regarding Canada Post Corporation's recent announcement with respect to mail processing in the town of Campbellton.

• (1820)

He complains that the mail processing will be removed from the town and that people will lose their jobs and he asks that the government intervene in this matter.

I am truly surprised that the hon. member would suggest that the government intervene in the postal operation, when it was agreed by all three parties in 1981, and perhaps he is not familiar with this, that Canada Post should be free of political interference. The corporation has come a long way from when it was a debt ridden burden on the Canadian taxpayer, costing Canadians hundreds of millions of dollars. As a matter of fact, it has just recorded its third straight year of profitable operations.

Part of Canada Post's success story can be attributed to the operational efficiency achieved through such initiatives as process rationalization. This program is not new. In September 1990 Canada Post implemented mail processing changes to make more efficient use of its work force, its equipment and facilities as well as improved transportation links throughout the country. This streamlining ensures delivery standards are maintained or exceeded. The program is presently operating successfully in some 100 Canadian communities and now the corporation is planning to proceed with similar measures in an additional 54 communities later this year. More mail will be consolidated for processing and fed

directly into mechanized plants for maximum efficiency and faster sorting and distribution.

In some communities such as Campbellton twin mailboxes will be introduced so that the customers can separate their local and forward mail, which is mail bound for all other destinations. The mail separation eliminates one step in mail handling and the forward mail will go directly to Saint John for mechanized sorting while the local mail will continue to be processed in Campbellton.

I would just like to close and say with respect to any reduction in the number of jobs as a result of the implementation of this program, Canadians can rest assured that work force changes at Canada Post are being managed in a responsible manner.

GOODS AND SERVICES TAX

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, I first brought this issue to the attention of the Minister of Finance over a year ago before the GST became law.

I began receiving calls and letters from my constituents who are naturally upset by the discriminatory practice that they were receiving from the government on the GST.

I tried to to explain to the minister that it was unfair to have a double standard in which urban residents can get an unlimited amount of water GST free, whereas GST on water and on basic necessities in rural Canada was being applied.

However, on February 6, 1991, the then Minister of Finance indicated: "No GST will apply to the supply of potable water". Such was not the case. Changes were made and rural Canada continued to suffer under the burden of this regressive tax.

In response to the overwhelming calls from my constituents, I asked the minister in the House on June 11, 1991 to immediately correct this serious injustice to rural Canada.

The present Minister of Finance replied in a letter to me of June 13, 1991 indicating: "The GST as amended on March 27 exempts the supply of unbottled water when provided by a municipality or by an organization designated as a municipality for the purposes of that supply".

The government's tune had changed and it continues to try to convince rural Canadians that all is fair, that the problem has been solved. It has not. Rather, the government's proposed solution to the unfair tax of water used by rural Canadians served only to shift the tax discrimination from rural residents to rural water suppliers. Water suppliers can apply to become a designated municipality so that they do not have to charge GST to the customers. However, as a municipality the suppliers can only get 57.14 per cent of their input tax credits as opposed to the full 100 per cent able to be acquired by other small businesses. Hence, the designation of a water hauler as a municipality can result in the customers having access to tax free water, but the water haulers must bear the brunt of this and they must lose their full GST rebate which all others enjoy.

This uncertainty is a discrimination and it is totally unacceptable. This convoluted legislation is pitting water hauler against water hauler, antagonizing and frustrating customers and causing a paper nightmare to claim the input credits. Furthermore, to try to get a straight answer out of Revenue Canada on this is next to impossible. The minister was bound to know that a tax like the GST would run into some snags, and this is one of them. The real crime is that he can easily solve this problem. All he has to do is bring in amending legislation to zero rate bulk supplies of water. In the larger scheme of things this may seem like a little thing, but I tell you it has meant hardship in rural Canada and it has meant hardship among rural water haulers. The hardship and discontent is clearly demonstrated by the well over 6,000 signatures I have received from rural petitioners. Still I am having numbers of petitioners and numbers of petitions come in.

Water is a basic necessity of life, and I would ask the Minister of Finance to immediately rectify this unfair discrimination in rural Canada.

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): I would first of all point out to the hon. member that the Minister of Finance is a member from rural Canada who understands water supply very well.

The member for Haldimand—Norfolk has criticized the GST for creating an inequity in the treatment of water supplies between rural and urban residents. The member believes that residents of rural areas who do not have access to municipal distribution systems are required to pay GST for their water while city dwellers receive water tax free.

Let me clarify the policy in this matter. The goods and services tax, as amended on March 27, exempts a supply of unbottled water when provided by a municipality or by an organization designated as a municipality for the purpose of supplying water. An independent water supplier, for example a private water utility or a bulk water supplier, may apply to Revenue Canada Customs and Excise Division for such designation. Its sales of water will then be exempt. Like municipalities, it will then also be entitled to a 57 per cent partial rebate of GST for tax paid on inputs, including vehicles, equipment and fuel. Accordingly the policy provides for consistent treatment of water supplies in urban and rural areas. Of course, a private supplier may choose not to apply for designation as a municipality. In those instances, it would be required to collect and remit GST and will be entitled to full input tax credit. This may be an appropriate result where the clients of the supplier, that is farmers purchasing irrigation water, are themselves able to claim input tax credits for GST paid.

However, in other circumstances private suppliers would most likely want to take advantage of the exemption, thereby ensuring that rural residents receive their water on the same tax exempt basis as urban residents.

A recommendation was made by the hon. member for Haldimand—Norfolk that the supply of water from bulk water suppliers should be zero rated, that is removing tax on the supply and at the same time giving suppliers full input tax credits. However, that would not provide equitable treatment of bulk suppliers and municipal suppliers.

The legislation allows consistent treatment of the supply of water to both urban and rural residents. However, we recognize that there have been difficulties informing water haulers of this policy, and as a result there has been some confusion with respect to the treatment of supplies of water to rural residents. Consequently, we are looking at ways to simplify the application of the exemption in this area. Maybe the hon. member, since he is concerned about this, will help spread the word.

IMMIGRATION

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, last June 17 I raised an immigration issue of significant importance with respect to how our immigration procedures are handled and how we assure that the religious rights and freedoms guaranteed by the Charter of Rights and Freedoms are respected.

The matter clearly also affects the individuals whose circumstances prompted my question. Specifically, four Sikh priests denied status in Canada were facing deportation.

Forty thousand members of the Khalsa Dabar Sikh Temple in Mississauga were subsequently compelled to go to the courts to secure for their priests the very same rights guaranteed to all priests and religious ministers both under the Immigration Act and its regulations.

For example, directives from the Quebec region immigration office guarantee that priests can request a credible basis refugee claim without a formal interview or hearing. But these four were denied that opportunity. The minister was brusque in responding to a reasonable request for intervention. First he declared that the priests should simply get out. He was precipitous, he was wrong and worse, he was inflammatory.

Second, he refused in this House to be involved or to comment claiming that this case was before the courts. Yet no court action had begun. His involvement had been asked so that a court action could be avoided.

Third, after I advised him that the priests together had 12 more administrative procedures before refugee hearings, he lashed out with personal attacks on this member engaging in diversionary tactics because he was not in possession of the facts.

He owes Canadians the responsibility to stay informed. His perverse inaction is creating unnecessary turbulence in the lives of individual priests and their parishioners. To date the immigration department has refused to deal with the questions of religion and priesthood. It has forced the priests to go into a refugee system to secure status, thus denying Sikhs the same access to their priests as Catholics, Protestants and others have to their own.

The actions of the department means in effect that it does not recognize the Sikh religion. Without their priests Sikhs cannot enjoy the guarantees of religious freedom under section 2 of the charter. The multicultural character of Canada referred to under section 27 can no longer apply to them. The equality provisions under section 15 ring hollow for them.

How can the minister justify depriving Sikhs of these basic freedoms?

[*Editor's Note: Member spoke in Punjabi, translated as follows:*]

[*Translation*]

This is an affront to Sikh faith and to Canadians of Punjabi origin who practise the Sikh religion. They live by the precepts of their founder, the Guru Nanek, who called for peace among men, equality between genders and among races, respect for individual rights and differences, who preached humility, industry and the concept of community.

Mr. Speaker, these are admirable Canadian values and as a country we should support those who advance them there and everywhere.

[*English*]

Yes, and yet the minister is prepared to send these priests to a country where they will be clearly in danger. International press reports, UN resolutions, Amnesty International, among other impartial observers point to the fact that the deportation to the Punjab will lead to certain danger for the applicants.

It is time the minister acted to ensure that the Sikh community in Canada has a real chance to live in dignity. It cannot continue to thrive or to do so without figures central to Sikh religion and to culture, that is their priests.

I urge the minister to stop waffling, stop dallying, to get involved, intervene and ensure that they have an opportunity to stay in Canada and to minister to the parishioners of Sikh faith in Canada.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Mr. Speaker, on behalf of the Minister of Employment and Immigration, I wish to respond in greater detail to the questions raised by my hon. friend from Eglinton—Lawrence.

As the hon. member well knows, the backlog clearance program for Bill C–55, Canada's refugee determination system, is among the most generous refugee protection systems in the world and he should acknowledge that.

Both systems are administered uniformly across the country. Decisions are made by independent, and I stress, are made by independent decision makers and each case is reviewed on humanitarian and compassionate grounds. Nevertheless, Canada's refugee determination systems were never intended to serve as another route for immigration. That should be made very clear.

Our goal is to provide Canada's protection to those who genuinely need it and to deal firmly but fairly with those who do not. It should be noted that the four individuals referred to by the hon. member all made refugee claims. They have the right to have their claims determined. In fact, under Canadian law there is an absolute obligation to deal with their claims. It should also be noted that Employment and Immigration Canada has been working with Canadian congregations including the Sikhs and foreign clergy and religious workers for a long time.

There are well established procedures in place to facilitate the admission of foreign religious workers either as immigrants or temporary workers. Officials of Employment and Immigration would be pleased to assist the congregation of Khalsa Dabar Temple should they wish to bring in foreign religious workers according to the requirements of Canadian law.

Similarly, if a refugee claim is rejected and a removal order issued, those same officials have no choice but to proceed with the removal. That is as the law requires. Canadians expect as much.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m, pursuant to Standing Order 24(1).

The House adjourned at 6.33 p.m.

HOUSE OF COMMONS

Wednesday, November 20, 1991

The House met at 2 p.m.

Prayers

STATEMENTS PURSUANT TO S. O. 31

[*English*]

POVERTY

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, is it not tragic when a mother swaps furniture for food and steals to clothe her children? Only a few months ago this happened in my city of Winnipeg to a woman trying to survive on welfare.

In January 1991 the Winnipeg Harvest Food Bank received 306 calls for family food assistance. Last August the food bank got 1,335 calls. According to yesterday's report from the National Council on Welfare, our welfare recipients from almost all provinces are sinking further into poverty, unable to keep up with the rate of inflation.

In the west, except British Columbia, single parents have been hardest hit. The city of Winnipeg has already spent $58 million on welfare this year but needs another $12 million before the end of December. The Christmas Cheer Board will deliver 19,000 food hampers to needy families, a record number.

David Northcott, Director of Winnipeg Harvest, said that if he were standing here in the House of Commons he would say one thing to the government: "Feed us today".

The responsibility falls to the federal government. I urge the Prime Minister to remove the cap on the Canada Assistance Plan and help the poorest of the poor. Give them a good Christmas.

CROATIA

Mr. Al Horning (Okanagan Centre): Mr. Speaker, as the House is well aware the Croatian people in Yugoslavia are being destroyed bit by bit and day by day.

The country itself has been reduced to rubble and historic monuments are being wiped out.

The fear of the loss of more Croatian lives is growing greater every day. I would urge all members of the House and the government to take any and all necessary steps to stop the bloodshed and recognize a free Croatia as soon as possible.

I see no other way of achieving a free Croatia without taking this step of recognition.

* * *

CARDIOPULMONARY RESUSCITATION

Mr. Jim Karpoff (Surrey North): Mr. Speaker, November is CPR awareness month.

The Heart and Stroke Foundation of Canada wants Canadians to know that the more people who learn CPR, the more potential there is for saving lives.

Every year some 45,000 Canadians die from heart attack. Last year more than 560,000 Canadians received training in basic life support, a 30 per cent increase over 1989.

While this increased interest in CPR is heartening, the number of newly trained people represents only 2 per cent of the Canadian population. That is weak ammunition to fight Canada's number one killer, heart disease and stroke.

The chances of surviving a heart attack improves the sooner medical pension is received. More than 80 per cent of heart attack victims who enter hospital without delay return home. Let us do what we can to ensure that more Canadians who suffer a heart attack do indeed return home.

Take CPR training.

S. O. 31

CYPRUS

Mr. Gus Mitges (Bruce—Grey): Mr. Speaker, the United Nations Security Council's unanimous resolution 716 expresses unequivocally the collective will of the international community to bring an end to the deadlock and to achieve progress on the reunification of Cyprus.

The resolution reaffirmed that the solution must be based on one state of Cyprus comprising two politically equal communities. The Cyprus government stated that it is ready to abide by the terms of the resolution and called upon Turkey to do the same.

I believe the time has come for both sides to show some prudence and unanimity and make decisive efforts to find a solution to everyone's benefit.

The time of artificial and forceful division of people such as has happened in Cyprus belongs to the past. Such divisions only serve to deprive people of their basic human rights and freedoms and is totally out of step and intolerable in our changing world.

It is hoped that when the newly elected Government of Turkey takes over under the new Prime Minister Suleiman Demirel, it will be the beginning of a new era of co-operation and trust for a unified Cyprus.

* * *

POVERTY

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, the poverty crisis in Montreal requires immediate attention as it does elsewhere in this country.

In Montreal one in four people lives in poverty, more and more children go to school hungry, more teenagers have the street as their home, and many of our elderly line up to get food as well as free clothes to face the winter.

These conditions may sound like scenes in a great, cold eastern European town but it is Montreal, just down the highway from Parliament Hill.

There are 374 centres now that distribute free food in Montreal, and it is reliably estimated that $10 million is needed just to feed the 20,000 children who go to school hungry.

While the government opposite pays lip service to these dramatic needs, its actions have hurt, not helped. There have been 33 tax increases and the hand of the GST in their pockets each day. The upcoming changes in the UIC benefits will just exacerbate this already grim situation.

If the government across the way wants to strive for a more competitive Canada, then set the environment, help fill the stomachs of our children, help our poor leave the streets and get retrained. Canadians want to work. UI and social—

Mr. Speaker: The hon. member's time has expired.

* * *

ATLANTIC CANADA SUSTAINABLE FUTURE EXPOSITION

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I want to bring to the attention of the House an exciting and timely environmental project proposal for the summer of 1993 in Truro, Nova Scotia.

The Atlantic Canada Sustainable Future Exposition or "Going Green in 1993" will be a major exhibition about Atlantic Canada's sustainable future.

The exhibition will include a sustainable future and resource centre and will bring together the cultural community, the academic community, the private sector and government to educate and experiment in the interests of a better environmental future for all.

Truro is a very appropriate location for this exposition considering the investment that this community has already made to preserve and enhance the local environment. Mayor Douglas Carter and council have a long-standing commitment to all aspects of environmental protection. The project will require funding from all levels of government, with the contribution of the town already committed.

I urge all the ministers and all the departments involved to give positive consideration and support to the proposals and process the applications as quickly as possible.

* * *

• (1410)

POVERTY

Mrs. Christine Stewart (Northumberland): Mr. Speaker, poverty has become a major issue of importance

across the country today. My province of Ontario and the riding of Northumberland are not immune to the blight.

Poverty as it exists today has increased dramatically under the policies and administration of the present government. Poverty has resulted from lost jobs, loss of international markets, business and personal bankruptcies, businesses moving south, lack of adequate adjustment policies to a freer trade environment, lack of research and development, lack of appropriate training and, last but not least, the high value of the Canadian dollar.

Government policies have left Canadian businesses, men, women and children bereft. This government claims to be responsible when we go through good times and it must not claim impotence when we are going through difficult times.

This government must immediately bring in policies to redress the wrong policies in existence today and relieve poverty.

* * *

FORESTRY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, the current constitutional proposals seem to emphasize clearly that Canada's environment will continue to be everybody's business. For example, the proposed Canada clause suggests that sustainable development is a national issue, yet such areas as forestry and mining are identified as provincial jurisdictions.

In reality, however, as we all know the over-all environmental implications cannot be neatly isolated. There will always be a critical need for federal—provincial structures to ensure Canada's environmental integrity.

In my view the most compelling model for sustainable development in Canada is to be found in our forests. If we cannot implement and practise the concept there then we shall be unlikely to achieve it anywhere.

The Government of Canada has accepted in principle the recommendation for a Canada forests accord to be developed through the Canadian Council of Forest Ministers. I urge all parties concerned to commit to building that accord.

[*Translation*]

CANADIAN COUNCIL FOR INTERNATIONAL CO-OPERATION

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, today the Canadian Council for International Co-operation, an umbrella organization for 129 organizations across Canada, is on Parliament Hill to promote its "One World" campaign.

[*English*]

In a world which spent over $900 billion last year on arms, in which 40,000 children die each day from hunger and disease, in which the global environment is being devastated and in which there is a massive net outflow of capital from south to north, action is desperately needed. *Le Canada doit faire beaucoup plus.*

The UN has called on Canada to direct far more resources to serving basic human needs like clean water, primary education, primary health care and family planning.

Canada should link aid to respect for human rights by redirecting and increasing aid to community based groups in offending countries and by applying criteria in a universal, consistent and transparent manner.

Finally we should stand to reap the peace dividend by significantly cutting military spending and redirecting the funds freed to serving basic human and environmental needs in Canada and globally.

* * *

NATIONAL OSTEOPOROSIS AWARENESS MONTH

Mr. Jim Edwards (Edmonton Southwest): Mr. Speaker, I take this opportunity to remind members of the House and all Canadians that November has been proclaimed National Osteoporosis Awareness Month by the Osteoporosis Society of Canada.

This society, founded in 1982, is a charitable organization dedicated to the elimination of osteoporosis, the brittle bone disease affecting 25 per cent of Canadian women over the age of 50 and approximately half that percentage of Canadian men over the age of 50.

This society provides information both to the public and to the medical profession and supports relevant research into the causes, prevention and effective treatment of osteoporosis. The valuable services provided by local volunteers improve the quality of life for Canadians who must cope with the disease.

The federal government is a partner in the success. The Department of National Health and Welfare provides financial assistance both to the core operation and in support of research.

It is my pleasure to salute this fine organization and to express support publicly for National Osteoporosis Awareness Month.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY REFERENDUM

Mr. Gilles Duceppe (Laurier—Sainte-Marie): Mr. Speaker, yesterday at a meeting in Montreal, 2,500 people called for a referendum on sovereignty. Compare that with the empty halls the Castonguay-Dobbie Commission faced in Manitoba. Obviously Canada is hampered in its efforts to redefine and restructure itself by the presence of Quebec.

Canadians want a country in their own image, but Quebec is the stumbling block. Quebecers want a country in their image, but Canada is in the way. We have two visions of the kind of country we want, but they are not the same country.

The future lies in co-operation between two sovereign countries, as between members of the European Economic Community.

Quebec does not want to be a province that is different from the other provinces. Quebec wants to be a country like other countries. Canada should understand that and tell its politicians to stop the Castonguay-Dobbie constitutional circus, a worthy successor to the Spicer Circus and the forerunner of five constitutional conferences. That will be just so much window dressing.

* * *

COMPETITION

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, according to a recent study by the Toronto-Dominion Bank, lay-offs, plant closures and cross-border shopping are all symptomatic of the diminishing ability of Canadian manufacturers to be competitive. The bank went on to say that one of the factors that helped weaken Canada's competitive position was the fluctuating level of the dollar in this country. Although the drop in value of the Canadian dollar in the early eighties helped manufacturers to remain competitive at the time, it did not help them in the long run, because manufacturers failed to realize that wage levels in Canada had increased, compared with those in the United States.

Considering proportionately higher wage increases, the rising value of the Canadian dollar and low growth productivity, it should come as no surprise that Canada's competitive position has weakened since 1985.

* * *

[*English*]

GREAT WHALE PROJECT

Ms. Lynn Hunter (Saanich—Gulf Islands): Mr. Speaker, I rise today to condemn the Prime Minister for the position he has taken regarding the Great Whale Project. When asked for his views on a proposed motion in the European parliament, the Prime Minister declared that the Europeans should mind their own business.

In one fell swoop the independence of the environmental review process of Great Whale has been shattered. How can the Cree and the Inuit trust a federal presence when the Prime Minister has told the world that global concerns are irrelevant? Much like Premier Bourassa, the Prime Minister has chosen to paint any one who questions the project as the enemy. The Prime Minister's myopia borders on the dangerous. This approach runs counter to the growing international understanding of the interdependent nature of environmental issues.

He cannot have it both ways. If we are to preach to the world about human rights and the environment, we must be prepared to take the heat when we are embarking on the wrong course.

Once again the Prime Minister has put a Gucci in his mouth while cavorting abroad.

POVERTY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, as we meet here today there are almost 5 million Canadians living in poverty, 2 million people receiving social assistance, 1.8 million Canadians who will be fed by food banks and almost 1.5 million Canadians who are unemployed.

In the city of Winnipeg today there are more than 50,000 people who are receiving social assistance, more than one in twelve. If we look at a report by the National Council of Welfare we note that a single parent, most often a mother, is receiving 3 per cent less income today than she did five years ago and living—this same single parent with one child—with almost $9,000 fewer dollars than the level of poverty.

This is totally unacceptable. When will the government change its policies?

* * *

BRYAN ADAMS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, Bryan Adams is a Canadian singer currently touring in Europe where he is encountering huge and appreciative audiences. As people in other countries are inspired by him, it is time to reflect on the man here at home.

Bryan Adams was the only Canadian on Amnesty International's world tour. When millions were starving in Ethiopia it was Bryan Adams and his manager Bruce Allen who responded with the *Tears Are Not Enough* project. In addition to being a regular performer at the Princes' Trust in England, Bryan Adams regularly assists Canadian embassies around the world in promoting Canada.

I ask this House and Canadians everywhere to join with me in paying tribute to Canada's greatest ambassador, Bryan Adams, and to thank him for making us proud to be Canadians.

Oral Questions

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Deputy Prime Minister.

The government blames everyone else for its economic failures. First it was the provinces' fault. Then it was public servants. Then it was the Canadian Federation of Independent Business. Then it was labour. Then it was independent economists.

I would like to ask the minister about a statement made by the president of the Canadian Manufacturers' Association who said: "For manufacturers the recession is still on. It is deep, wide and long".

Does the Deputy Prime Minister believe again that the President of the Canadian Manufacturers' Association is in the hip pocket of the Leader of the Opposition, or will he finally realize that it is this government's policies that are destroying Canada's manufacturers?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the importance of manufacturing throughout the world has declined *vis-à-vis* the total gross domestic output. I believe that from the early 1970s it has declined from about 22 per cent of the economic activity to about 17 per cent and that has occurred in most industrialized countries.

The hon. member will recognize that we are going through a recession. The economy has slowed very much in the United States, the United Kingdom and other trading partners. Clearly the turnaround has begun. It is moderate and modest. Conflicting data are emerging. For example, in the months of September and October housing starts were up to 202,000 on an annualized basis. Automobile sales in the month of September were up by 13 per cent. Those are all positive indicators.

On the other hand, the merchandise trade balance was in deficit yesterday, so I have to say to the hon. member that while there is strength re-emerging, there is this conflicting data and the situation is volatile. I ask her not to compare and judge the performance of the economy on the basis of one month's data.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, it was reported yesterday that the hon. member for York East, the former Conservative minister of housing, called for a lower exchange rate for the Canadian dollar and said that the gap between the U.S. and Canadian interest rate is still too high.

Does the Prime Minister think the hon. member for York East is in the hip pocket of the Leader of the Opposition or will he finally accept the fact, a fact that he is hearing from his own colleagues, that the high dollar is killing Canada's manufacturing industries and they need help and they need help now?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I take it that the hon. member is proposing a fixed exchange rate policy. If that is the policy of Liberal members perhaps she might want to outline it and tell us what fixed exchange rate she would establish and how she would keep it there.

The policy of the government is a floating exchange rate. The exchange rate is established in the marketplace. The key to sustained economic recovery is to bring down interest rates. The way to bring down interest rates is to bring down inflation and inflationary pressures.

I remind the hon. member that interest rates have come down by 625 basis points since the high of May 1990. The hon. member will understand that the interest rate spreads have narrowed from 5.65 per cent to about 2.3 per cent or 2.4 per cent.

The goals and objectives that were established in the budget of February 1991, the key to economy recovery, the fundamentals are in place and we are meeting those targets. I can assure the hon. member that is the recipe for sustained growth and price stability.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the government's decision to allow this made-in-Canada recession to continue is a disaster for thousands of unemployed Canadians. I will put my question to the minister again. Why does he not listen to suggestions made by the opposition and even by his own colleagues who said yesterday that interest rates in Canada were still too high compared with those in the United States? Would the minister be prepared today to finally abandon his high interest rate policy and give Canadian companies a chance to survive?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, Canada does not have a high interest rate policy. Next to the United States and Japan, we have the lowest interest rates in the world.

The hon. member is blaming all the economic ills on the value of the dollar. I point out to the hon. member that in 1976 when the Canadian dollar was worth $1.01 U.S., the British Columbia forest industry had a return on sales of 4.6 per cent and a return on assets of 5.1 per cent.

Back in 1985, when the dollar was worth 73 cents, they had a zero rate of return on sales and a zero rate of return on assets. So it does not necessarily follow that having a lower dollar will provide the cure for all the economic ills.

I will repeat this to the hon. member. The value of the dollar, the exchange rate on the dollar is established in the marketplace. The Bank of Canada intervenes to moderate the flow so that there are no inclines or declines that disrupt the marketplace. That is the role of the Bank of Canada and that is the policy that the Government of Canada is following.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, when this government sustained a high interest rate, high dollar economic policy, it no doubt realized that higher unemployment would result.

Unwilling to pay the cost of this higher unemployment, this government cut UIC benefits forcing the jobless onto welfare. Unwilling to pay the higher welfare costs, this government then capped the Canada Assistance Plan.

I ask the Minister of Finance to acknowledge that his government anticipated that it would cause higher unemployment and poverty and quite simply planned ahead to make someone else pay the bill.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I repeat again that the Government of Canada does not have a high interest rate policy. The prime bank rate of the Bank of Montreal is 8.25 per cent. That is the lowest it has been in about 14 years.

I repeat again that Canada, next to Japan and the United States has the lowest interest rates in the world. The projections with respect to growth, with respect to unemployment, with respect to inflation were all outlined in the budget that was brought down by my colleague in February 1991. We are on target. The universe is unfolding as was predicted.

I assure the hon. member that in getting the fundamentals right, low interest rates and low inflation are the keys to economic sustained growth and price stability.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, misery loves company. Perhaps the Canadians standing in the unemployment lines would benefit from the company of this minister.

[*Translation*]

My supplementary is directed to the same minister. The minister likes to refer to the tight money situation. In its report released yesterday, the National Council of Welfare said that at least 1.9 million Canadians were on welfare and that their chances of finding a job were becoming increasingly remote.

My question to the minister is this: How does he expect to increase the government's revenues when so many Canadians are unemployed for so long that they have to go on welfare?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the best way to preserve the security of those below the poverty line and those who are on fixed incomes and our senior citizens, is to deal with the root causes of inflation. We have to bring inflation down because inflationary pressures erode the incomes of our senior citizens, our low income people and our people on fixed incomes. That is the goal and objective of the government. It is what will put real income into the pockets of all Canadians. Through the reduction of inflationary pressures and the lowering of interest rates, we will create an investment climate that will generate the kind of job and economic activity that will provide sustainable recovery.

Oral Questions

HUMAN RIGHTS

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Secretary of State for External Affairs. The Prime Minister is once again out of the country speaking to the international community about the need to tie aid and assistance to the human rights records of countries, something my party has been advocating for many years.

Despite that, this government continues to provide aid or assistance to a number of governments that have been denounced internationally for horrific human rights violations; countries like Senegal, Cameroon or Kenya, governments involved in the torture, arrest and detaining of their citizens.

Is the minister prepared to act at home by announcing the immediate end of Canadian aid to governments with these horrific human rights abuses?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, as I said in committee yesterday, this is a matter that is very much on our minds and under review.

I have said I am reviewing aid to Kenya. I have said that I am reviewing aid to Indonesia. This is not something that we can accomplish overnight. Indeed, I asked the committee if it would be prepared to assist us in developing some guidelines we could use to link foreign aid with human rights.

• (1430)

It is something that we are actively considering in the department. We have taken some action. But I will not agree to cut off aid to these countries until I have had time to review the aid programs that we have and ensure that we can still fuel some humanitarian needs in these countries. It is government to government aid that would be the issue under this review.

Hon. Audrey McLaughlin (Yukon): A supplementary question, for the minister, Mr. Speaker.

The minister is of course aware of recent events in Kenya where a dozen pro-democracy demonstrators were brutally detained and arrested by that government. At that time, just last weekend, the Government of the United States, the Government of Sweden, the Govern-

ment of Germany, and the Government of Britain all condemned those actions. Canada was silent.

It is unacceptable to talk about human rights on the international stage while refusing to take action at home. I ask the minister: Is Canada prepared to speak out and to freeze the $35 million of aid to Kenya? The human rights abuses are there, but is this government prepared to take action?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, I just said that I was reviewing our aid to Kenya. I have condemned the actions in Kenya so I am just not quite sure what it is the hon. leader of the New Democratic Party has missed.

Not only that, but I raised the matter with the foreign minister at the Commonwealth heads of government conference and the Prime Minister raised it with the head of the Government of Kenya at that point. We have been concerned about this for some time.

We are reviewing our aid program to Kenya. However, I do not want to create problems for the poorest people in Kenya by cutting off or freezing our aid until I ensure myself that that really is in the interests of the people of Kenya. We are looking for some help from Parliament on what kind of guidelines we should have, and I would hope the hon. member would help too.

Hon. Audrey McLaughlin (Yukon): A supplementary, Mr. Speaker. I find it incredible that the Prime Minister at the Commonwealth Conference, at the Francophonie Summit, is talking about human rights as linked to aid and does not have any idea of how he is going to implement that. It seems incredible to me.

[*Translation*]

Clearly this government's priority is corporate, not human development. For most developing countries, clean water, education and health care are a priority. The NGOs can provide these services. CIDA is more concerned with corporate than human development. Why did the government reduce funding for NGOs such as CUSO, Canada World Youth and Canadian Crossroads International? Who is going to provide these essential services?

[*English*]

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, we deliver a great deal of our aid through NGOs. I would be very happy to look into the particular organizations that the member has mentioned. We deal through a great many multilateral organizations and, indeed, through individual NGOs within particular countries. That part of our budget is being increased and that method of delivery is being increased. Certainly in countries where we believe that there are difficulties with human rights abuses by the government, we are and will be doing more through NGOs.

I should say as well that this is not a new policy. There has been conditionality on our aid for some time. What the Prime Minister is talking about at the Francophonie and the Commonwealth is the fact that right now we are actively looking at our aid profile and we are going to raise the standards considerably by which we link aid to human rights.

The Prime Minister has been very forthcoming and this process is going on now. I do not see where the hon. member has a problem.

* * *

UNEMPLOYMENT INSURANCE

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, the government's decision to increase unemployment insurance premiums has been condemned by business and labour and was opposed by the government's unemployment insurance commissioners. Individuals and businesses in this country are still struggling with the effects of the recession. They cannot afford to deal with yet another added burden.

Will the Minister of Finance reconsider the decision to raise the premiums and give Canadians and the business community the type of break that they need and deserve during these hard economic times?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I recognize the sympathy with which the hon. member poses the question, but I ask him also to consider the fact that in dealing with this issue we have to consider three very important criteria: first, we must preserve the integrity of

the UI account; second, we must take into consideration the over-all fiscal objectives of the government, and third, we have to take into account the impact on the employees and the employers.

I remind the hon. member that the Government of Canada will be putting an additional $2.1 billion into the UI fund this year and $1.3 billion in 1992. We have tried to establish a rate that will provide a balance, where the government is still taking on part of the burden and paying the advance, while at the same time imposing a bit of an additional burden on the employee and the employer. If we fail to do that, the interest rate on the fund would soon put us in a position where we were paying more in interest than we would be paying out in benefits, and that would be counterproductive.

I ask the hon. member to seriously consider the dilemma we face.

Mr. Maurizio Bevilacqua (York North): Mr. Speaker, we have 1.5 million Canadians unemployed. We have a business community in Canada that is hurting. We have a government that says it consults and it listens to Canadians. Both business and labour have said that it is the wrong time for these hikes in UI premiums. They have said they cannot afford the raise in premiums.

Are we here to encourage economic growth in this country, or are we here to impede economic growth in this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we are here to promote economic growth but you do not promote economic growth by postponing your obligations from today and imposing a burden on future generations. You cannot postpone certain realities and I ask the hon. member to consider that.

The alternative to what he is asking us to do is either increase taxes in another area or increase the deficit. Now which would he rather have?

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, my question is for the same minister. Since the introduction of the unemployment insurance program in 1941, it has been the practice for the UI fund to run a deficit when unemployment was high and a surplus when unemployment was low. The fund was balanced over several years and not in every single year.

Why is the government abandoning a practice of 48 years, a practice that worked well, by increasing UI premiums by over 30 per cent in this year when unemployment is over 10 per cent and bankruptcies are up 50 per cent? Why this massive tax at this time?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we are not abandoning that principle. As a matter of fact, as I indicated earlier, in 1991 the Government of Canada will advance $2.1 billion into the account. It will show accumulated deficit. In 1992 it will add a further $1.3 billion and it will still have an accumulated deficit. So the assumption on which the hon. member bases his question is wrong.

Hon. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, in 1988, the year the government introduced its Bill C-21 on unemployment insurance, there was a $2.8 billion surplus in the unemployment insurance fund, money that was there for the unemployed. But the government took that surplus and used it for training which was previously paid for out of general revenue. Now that we have high unemployment there is no money left in the fund due to the government's changes in the legislation two years ago.

Last year the government said, in writing, that it was going to freeze the UI premium for three years. That was in the legislation. Why then is the government breaking its word of last year? Can we ever believe this government?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we are not breaking our word of last year. The federal government is still advancing money into the UI fund.

The hon. member is taking issue with the fact that we are spending money on training. The Minister of Employment and Immigration just announced that he was going to increase and enhance the training fund from $1.4 billion to $1.8 billion. The hon. member should be applauding that.

* * *

VIOLENCE AGAINST WOMEN

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, all Canadians are concerned with the murders, the sexual assaults, in short the increasing violence against women in our society. I believe they would support strong action now.

I want to put a question to the Minister of Justice in the area of the rape shield law.

• (1440)

Will the minister confirm that in her new rape shield bill proposed for December the government will include a definition of consent which is objective and unequivocal?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, yes, I am happy to do that.

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I am pleased to get the minister on the record for that.

Let me follow it up with a supplemental question. The minister will realize that legislation is not the only thing. Hopefully early legislation is something, but it is not the only thing she can do.

I want to ask the minister if she will follow the lead of the Ontario government as a signal to other provinces by issuing instructions to her Crown counsel in the territories, where she has jurisdiction, to automatically oppose defences using women's past sexual history? Second, will the minister institute immediately a mandatory program of education for trial judges on this very important matter of violence against women?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I was very pleased to see the recent action in that regard by the Ontario Attorney General since I had in fact strongly recommended that course of action at our federal-provincial meeting in Yellowknife in early September. I was true to my word by giving the same direction to my own prosecutorial staff who, as the hon. member quite rightly stated, only prosecute the Criminal Code in the territories. So I would, with respect, suggest that I was ahead of the Attorney General of Ontario in that regard.

The hon. member will know that the question of mandatory judicial education is a difficult one in order to respect the independence of the judiciary. I have, however, raised a number of themes with the head of the Canadian Judicial Institute which provides judicial education for federally appointed judges on this and on a number of other issues, including in fact public awareness and attitudes toward firearms and firearm related offences since, during the course of that issue, concerns were raised as to whether the courts were in fact imposing the full effect of the law. We are working very co-operatively in that area.

As you may know, the component of judicial education on gender bias is now a mandatory component for all judges attending seminars and I am hoping that we will see more of that sort of activity to support the work that Parliament does in putting the statutory frameworks in place.

* * *

THE ECONOMY

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is for the minister for industry.

Yesterday we learned that Canada has suffered its first merchandise trade deficit in 15 years. Unemployment is increasing. Today we learned from Statistics Canada that more than one-third of husband and wife families in Canada rely on unemployment insurance.

How can this minister carry on with the same policies that have created this state of desperation for so many Canadians? When will he announce new measures to reverse our economic slide, to get jobs going and to get people off unemployment insurance and welfare?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, that is precisely the purpose of the prosperity initiative that I announced less than one month ago. The purpose of that is to encourage Canadians from coast to coast to discuss among themselves what they can do, what their companies can do, what educators can do and what governments can do to improve the competitive position of the Canadian economy. That is the best way that we can preserve our standard of living and address the problems of unemployment that my hon. friend has just referred to.

Mr. Jim Peterson (Willowdale): Mr. Speaker, with all due respect, this minister's prosperity agenda is a joke. This is a minister who preaches consultation but he will not listen when workers, small businesses, manufacturers and exporters tell him that the dollar is too high and they cannot suffer higher unemployment insurance premiums. This is a minister who will not listen when he

consults. Now he wants more consultations and he is not going to take action until next fall.

What are the millions of Canadians who are on unemployment insurance and welfare going to do while he goes out and carries on these phony consultations?

Hon. Michael Wilson (Minister of Industry, Science and Technology and Minister for International Trade): Mr. Speaker, my hon. friend may think that they are phony consultations, but these are consultations among Canadians, by Canadians to try and find out how we can improve our competitive position.

Tim Reid, the president of the Canadian Chamber of Commerce, says: "It is a good idea to take a tough look at some of the competitive issues that outline Mr. Wilson's paper". I would encourage my friend, rather than quote Douglas Peters, the senior vice-president and chief economist of the Toronto-Dominion Bank, who is also a member of the Leader of the Opposition's personal global task force on competitiveness, to go and review those prosperity papers and find out what we can do as Canadians collectively to improve our standard of living.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, every single legitimate economist in this country who read the prosperity papers said they were an empty, vacuous document of no worth whatsoever.

[*Translation*]

My question is for the Minister of Finance. Yesterday in London, the Superintendent of Financial Institutions sent a clear message to our bankers to restrict credit to Canadians. In other words, we were told that they had to tighten the screws.

My question is as follows: While Canadians are doing all they can to get through the crisis and our industries are doing all they can to create jobs, why does the government want to cut off their only lifeline?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am not sure I got the first part of the hon. member's question. Could it be repeated, please?

Mr. Martin (LaSalle—Émard): The Superintendent of Financial Institutions in London clearly said that the Canadian banks must restrict credit. Is that government policy? Is it a true reflection of what this government is saying as opposed to all the pack we have been getting in this House from these ministers?

Mr. Mazankowski: Mr. Speaker, it is hard to perceive how one can suggest that the Government of Canada is pursuing a tight money policy with interest rates at the lowest rates they have been in 14 years.

The hon. member should know that there is keen competition among the Canadian banks. The Bank of Montreal has, for example, been a leader in reducing interest rates to the level of a prime rate of 8.25 per cent.

If the hon. member has any specific cases that he can provide me where bankers are not providing the lines of credit that are necessary, I would certainly be interested in looking at them.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, does this minister have any understanding of the way the financial system works? His most senior public servant in this country, the Superintendent of Financial Institutions, has said clearly to the banking community that he wants them to tighten up. He is saying to them: "I do not care how interest rates drop, I do not want you to lend money to Canadian businesses to create jobs". Is that government policy? If it is not, will he repudiate the superintendent here on the spot?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, now the hon. member is getting into what is and what is not good business practices. I suspect that any bank has to look at the ability to repay. I guess the hon. member wants the Canadian banking system to take on the same kind of approach to dealing with the finances of the country as the savings and trust companies do in the United States.

The hon. member should recognize that we have one of the soundest, best banking systems in the world and the hon. member should not be criticizing it at this time of difficulty. He should be praising the banking system in Canada because it has served us very well.

Oral Questions

FORESTRY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I have a question for the Minister of Forestry.

In a report to Parliament a year ago, the forestry and fisheries committee recommended the development of a Canada forest accord as a federal–provincial undertaking toward the practical implementation of the concept of sustainable development in Canada's forests.

In its official response, the government accepted this recommendation which calls for the Canadian Council of Forest Ministers to initiate a visionary process of consultation and consensus building with respect to future forestry policies.

The need for such a process seems even further emphasized by the current constitutional proposals concerning sustainable development and forestry as well as other resources.

My question has three parts. Has a start yet been made on developing the Canada forest accord? What progress has so far been achieved and what are the future prospects for actually reaching such a forest accord in Canada?

Hon. Frank Oberle (Minister of Forestry): Mr. Speaker, I want to thank my colleague and friend for his ongoing interest in support of this notion. Clearly, all of us recognize that the principal responsibility for the actual management of the forests does rest with the provinces. Nevertheless, the notion of a forestry accord such as was proposed by the committee of this House, which my hon. friend chaired, is one that includes all of the environmental equations, the importance socially and spritually of our forests and our national and international obligations. It has found its way on the agenda of the Canadian Council of Forest Ministers who are working to develop a new forestry accord and a new forestry strategy by March 6.

• (1450)

ENERGY

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources.

Last week the California Public Utility Commission ruled that Californian natural gas buyers could rip up existing contracts with Canadian suppliers starting next October.

This American decision to refuse to honour contracts bargained collectively by Alberta gas producers could have disastrous consequences in this already depressed industry, and will hit the smaller independent Canadian producers especially hard.

What steps is the minister taking to defend Alberta gas producers in this case by challenging the California commission's "tear up the contracts" ruling?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I want to thank the hon. member for the question. It is a very legitimate question.

As he possibly would be aware, prior to the CPUC's decision, I asked my deputy minister to put forward the case very strongly, which we did at San Francisco.

Additionally I met with the minister of energy, the Hon. Rick Orman, as well as a number of industry officials yesterday, today and even prior to this week.

I am very concerned about the unilateral decision that a state regulator has taken. We have tried to build a gas regime under the free trade agreement where contracts would be honoured, where the sanctity of contracts would be respected.

I appreciate that the hon. member has added his voice, and I intend to take further action as we look at our options collectively. I appreciate his support.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, obviously meetings with Canadian producers and Canadian energy ministers will probably prove helpful in this situation, but cannot be seen to be a substitute for decisive action that is required now if Alberta producers are to be defended.

Would the minister consider funding one or more court challenges to the California commission's ruling in a competent court either in Canada or in California?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I think the hon. member would appreciate, as he mentioned in the first part of his first question, this is a very serious issue not only for Alberta gas producers but for the efficacy of trade between our two countries.

I have not eliminated any options. I will accept his suggestion as another one that we are carefully looking at. Obviously time is not an issue which can be delayed long in terms of any further action we might consider.

* * *

JUDICIAL APPOINTMENTS

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, my question is for the Minister of Justice.

Canadians feel that they have a right to a judicial system that is both fair and expeditious. This right is being jeopardized by the minister's lackadaisical approach to the appointment of judges.

The minister will know that the justices and judges in this country are overworked, and that the Chief Justice of the General Division of Ontario has openly criticized the minister.

Why is the minister not making these judicial appointments? Is the government so intent on cutting spending that it is prepared to sacrifice our judicial system?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, nothing of the sort.

On the contrary, in the past year we have appointed 64 new judges; 29 of them to the Ontario Court, General Division, which is about a 50 per cent increase from the number of appointments that are normally made in that time period.

In fact, in terms of the productivity of my office in finding candidates, having them vetted and appointing them, we are acting at record levels.

With respect to Ontario, I recognize that there are vacancies to be filled in the Ontario Court, General Division, but as I commented the other day, three of those are new positions and 10 of those are supernumerary positions, which means that judges who have reached a certain age may elect to have a reduced case load while still maintaining their salary.

It is kind of one step toward retirement. Therefore, those 10 positions do not represent an absence of 10 acting judges but a reduced workload for those judges. I am working as expeditiously as possible to fill those vacancies. I hope within the next couple of weeks to fill most of them.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, the minister knows that the role of a supernumerary judge is not to replace him or herself. The reason the Department of Justice made so many appointments all at once is because it is so slow in making its appointments, it has to make a lot all at once.

If the minister says there is no problem, why has there been no Chief Justice of the Federal Court for 11 months? Why has Chief Justice Callaghan said that his job is crisis management? And why have 50,000 court cases in this country been thrown out? Why does the minister not deal with her own crisis, appoint the judges that need to be appointed and fill some of these vacancies that she has created?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): With respect, Mr. Speaker, the problem of court delays is a more complex one than simply filling the vacancies of federally appointed judges. After the Askov decision which resulted in quite a considerable number of cases being dismissed in Ontario, it was in fact the Ontario Attorney General who tried to fill the levels of his own provincial courts, because in fact many of the criminal cases are dealt with at the provincial court level.

The Chief Justice of Canada has instituted an inquiry on court delays, of the concern about how courts are administered and on how those might relate to delays.

I would with respect suggest that things are done very differently in Ontario than they are in my own province of British Columbia and I believe some of those aspects of court management affect the ability of the courts to deal with a mounting case load. All I can say is that I am prepared to do everything possible to try to assist that.

I would say though that the appointment of judges is a very important responsibility. Over the last year I have changed the nature of the committees which vet candidates for me on an arm's length basis to make sure that those committees themselves are more representative of gender and other minorities in society so that they will give a better reflection of society when they are vetting the qualifications of candidates to sit in such an important position.

* * *

INTEREST RATES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. It appears the minister has finally agreed with what the Liberal Party has been saying all along, that credit card interest rates are simply too high.

What I would like to ask him is this. The time for talk is over, the time for action on these rates is now. The minister has the authority to change the situation. Why does he continuously refuse to use that authority?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I said last week that I think, as do many Canadians, that those interest rates are high. I insisted that consumers should have a strong look at this and make the right decision when they borrow whatever money they need and in what situations.

It is possible for consumers to get to the local branch of their bank or caisse populaire and get a loan at 14, 15 and 16 per cent and avoid paying 28 per cent on department store credit cards. They have to make their own decision. We must remember that.

Last week three banks lowered their interest rates on three different occasions. It is going well. I would say so far so good.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I say to the Minister of Consumer and Corporate Affairs, 12 per cent above prime is not high. It is too high.

[*Translation*]

I would like to ask the minister a supplementary question. The minister refuses to understand that credit card interest rates are usurious. Why does he refuse to defend Canadian consumers? Why is he defending bankers? What is the reason for it?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I think that what I said is to the benefit of all Canadian consumers. I have said it and repeated it many times. There are different interest rates and very strong competition among the banks across Canada, be it for personal loans, mortgage loans or credit card loans. I think that this competition among the banks in Canada must be maintained. From time to time, I believe it is necessary to send these banks a signal. The consumer and corporate affairs committee chaired by my hon. colleague also sent a signal. They are looking into it.

I can assure the hon. member that I will follow this very closely; however, it is not in Canadians' interest to set a ceiling on interest rates but rather to encourage consumers to shop around more and to stimulate competition in that sector.

* * *

• (1500)

[*English*]

OYSTER FISHERY

Mr. Bill Casey (Cumberland—Colchester): Mr. Speaker, I have one question for the Parliamentary Secretary to the Minister of Fisheries and Oceans. It is an oyster question referring to the oysters in Wallace Bay.

Wallace Bay is consistently closed for inordinate delays during testing in the harbour. At the present time there are ongoing tests into the sixth and seventh month and meanwhile the harbour is closed to the oyster fishery. It causes hardship and confusion for the fishermen.

Why does it take months and months to get the test results in Wallace when it can be done very quickly in other areas? Will the department move to shorten the time frame for these tests?

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, I want to thank the hon. member from Nova Scotia for that question.

People know the fishermen were advised last year that sampling would be done this year on the waters in their harbour at Wallace Bay. The samplings were done by Environment Canada and took place between June 14 and October 1.

The hon. member will also know that the health standards for the consumption of fish and other food products in Canada are very high. The evaluation of those samples is being done and we should have the results within just a few weeks now.

* * *

NATIONAIR

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of Transport who knows that Nationair locked out its fully trained and experienced flight attendants yesterday and replaced them with trainees with no hands-on training.

Specifically these trainees were not given the opportunity to practise on an aircraft emergency simulations for fire, smoke, incapacitated co-workers or even emergency evacuations, even though the air navigation orders require line indoctrination for cabin attendants.

Canadians need to be assured that they can travel safely. Will the minister immediately investigate Nationair and, if he finds its operation is unsafe, suspend its licence?

Hon. Jean Corbeil (Minister of Transport): Mr. Speaker, I very much regret the incidents that are occurring at the present time at Nationair. They come under the responsibility of the Minister of Labour who has assured both parties that the federal mediation and conciliation service remains available to assist the parties if they ask.

As for the safety of the operations at the present time, I must tell my colleague that the officials of the Department of Transport have stepped up their inspections and monitoring of the airline to be absolutely certain that the public can travel safely.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is for the Associate Minister of National Defence who will know that the Department of National Defence has contracted with Nationair to supply passenger services between Canada and our base in Lahr, Germany.

The travelling public has a choice to make but military personnel and their dependants do not. I would ask the minister if she would consider suspending the contract with Nationair until such time as this dispute has been finalized.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I can assure my hon. colleague that we will take every measure at all times to ensure that military personnel and their families who travel, wherever they travel, will do so under absolutely safe conditions.

This is a commitment which we maintain and I can assure the House of that.

Mr. Speaker: I understand there is a general disposition in the House to hear certain tributes this afternoon.

* * *

SIR WILFRID LAURIER

Mr. Mark Assad (Gatineau—La Lièvre): Mr. Speaker, as I have mentioned, I asked for unanimous consent of the House and after the usual consultations I was confident that we would receive it.

[*Translation*]

As you know, Mr. Speaker, the object is to pay homage to one of Canada's greatest and most illustrious citizens, Sir Wilfrid Laurier, on the occasion of the 150th anniversary of his birth.

As I was speaking with a history student, Mr. Giuliano D'Andrea, about Sir Wilfrid Laurier, I noted that—

[*English*]

A great historian, a great American historian, Will Durand who was a Canadian by birth, had once said that history for the most part was guessing and that the rest was prejudice.

I do not believe there is any history of Canada that could diminish the legacy that was left by Sir Wilfrid Laurier and his contribution to Canada.

[*Translation*]

We celebrate today the 150th anniversary of the birth of Sir Wilfrid Laurier. Born in Saint-Lin, north of

Montréal, he studied his humanities at the Collège de l'Assomption, then studied law at McGill University in Montréal.

First elected in 1871 to the Legislative Assembly of Québec, he was elected to the House of Commons in 1874. In 1887, Laurier became the leader of the Liberal Party of Canada and, in the 1891 elections, he fought against Sir John A. Macdonald. But it was in 1896 that he became the first French-Canadian to be elected Prime Minister of Canada.

[*English*]

As Prime Minister, Laurier pushed for greater autonomy from Britain at a time when British imperialism was particularly popular in English Canada. The Manitoba school question and the Boer War were very contentious issues between English and French Canada, but Laurier's government eased the tension through statesmanship and firm leadership.

Perhaps his greatest achievements lay in the western parts of this great country. His government opened the door to thousands of immigrants who settled as farmers in the prairies. Thousands of others helped build two transcontinental railroads and it is under Laurier that ethnic neighbourhoods began to flourish in such cities as Winnipeg, Vancouver, Toronto and Montreal.

Then in 1905 under his premiership two Canadian provinces were created: Saskatchewan and Alberta. It was a great day in Canada's history.

[*Translation*]

His talents, especially as an orator, are legendary. He captivated the imagination of people from all walks of life. He inspired confidence to Canadians by showing them that their country had its place in the community of liberated and independent countries and that they should be proud of it. He opened Canada's doors to all the peoples of the world who found here peace, freedom and unprecedented prosperity.

The history of our country, as our national anthem states, is an epic of the noblest deeds, those of tolerance, peace and democracy.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

PUBLIC SERVICE STAFF RELATIONS BOARD

FIFTH ANNUAL REPORT

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister responsible for Constitutional Affairs): Mr. Speaker, on behalf of the President of the Privy Council, I wish to table in the House today, the fifth annual report of the Public Service Staff Relations Board for the fiscal year ending March 31, 1991.

* * *

[*English*]

STATUS OF WOMEN

ANNUAL REPORT OF ADVISORY COUNCIL

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, pursuant to Standing Order 32(1), I have the honour to table, in both official languages, copies of the 1990-1991 annual report of the Canadian Advisory Council on the Status of Women.

[*Editor's Note: See today's Votes and Proceedings.*]

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GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 26 petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

INTERPARLIAMENTARY DELEGATION

REPORT OF IAFSP

Hon. Andrée Champagne (Saint-Hyacinthe—Bagot): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present, in both official languages, the report on the activities of the Canadian chapter of the Interna-

tional Assembly of French Speaking Parliamentarians at the meeting of the executive in Quebec City on August 31, 1991.

• (1510)

[*English*]

REPORT OF COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. Girve Fretz (Erie): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the report of the Commonwealth Parliamentary Association, Canadian Branch, parliamentary delegation to the 37th Commonwealth Parliamentary Conference in India and parliamentary visit to Hong Kong from September 22 to October 5, 1991.

[*Editor's Note: See today's Votes and Proceedings.*]

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COMMITTEES OF THE HOUSE

JUSTICE AND SOLICITOR GENERAL—FOURTH REPORT OF STANDING COMMITTEE

Mr. Bob Horner (Mississauga West): Mr. Speaker, I have the honour to present, in both official languages, the fourth report of the Standing Committee on Justice and the Solicitor General.

In accordance with its order of reference of Monday, October 28, 1991, your committee has considered Bill C-35, an act to correct certain anomalies, inconsistencies, archaisms and errors in the Statutes of Canada, to deal with other matters of a non-controversial and uncomplicated nature therein, and to repeal certain provisions thereof that have expired or lapsed or otherwise ceased to have effect and has agreed to report it without amendment.

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS—SECOND REPORT OF STANDING COMMITTEE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, I have the honour to present, in both official languages, the second report of the Standing Committee on Consumer and Corporate Affairs and Government Operations.

The committee respectfully requests that an extension be granted for its consideration of order of reference dated September 18, 1991 with regard to work place hazardous materials information system.

If the House gives its consent, I intend to move concurrence in this report later on today.

[*Editor's Note: See today's Votes and Proceedings.*]

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BUSINESS OF THE HOUSE

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise on a point of order with regard to the dealings of the House for the remaining part of the day.

I am just wondering whether or not there would be disposition in the House, should the debate collapse on Bill C-38 prior to six o'clock, to have the vote which is scheduled for 7.20 tonight take place earlier.

The remaining five minutes on Bill C-204 and the final vote could take place at around 6.20. I am wondering whether or not there would be disposition among members of the House to proceed with that earlier time for the vote, so that we could notify all members of the House who are present in Ottawa of this change.

If it is not possible, I can understand why and would be happy to live with it; but in view of the fact that we may lapse the debate on Bill C-38 well before seven o'clock members might have a change of mind.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as usual my hon. friend has come up with a thoughtful suggestion as to ways and means of making the House of Commons as productive as possible. While I would not like to close the door on the suggestion, I am afraid I must say that I personally have notified a number of members of Parliament that the vote will actually take place shortly after seven o'clock.

I will endeavour to contact these people to see if they cannot make some changes, but in light of the fact that it was scheduled for seven o'clock, people have been informed that it is going to be at seven o'clock. For many people it is a very important vote so I have to say that I am afraid I cannot go along with the proposal but I will leave the door open.

I will endeavour to do my best to communicate with those people that I have spoken to personally and if

there is any way to accommodate my friend naturally I will do that, but at the moment I am afraid I am unable to do so.

Mr. Jim Hawkes (Calgary West): Mr. Speaker, in our caucus this morning we notified members that it would likely be about 7.20 this evening. If there is a fairly quick decision then we have time to contact members but if the decision was to be made at 5.45 or something like that it would be totally inappropriate. There is a time limit on that open door and it has to be fairly quick because we have 158 members to be contacted and a limited amount of time to do it.

Mr. Dingwall: Mr. Speaker, perhaps I can make another thoughtful representation to members of the House. It may be to the benefit of all members if we kept the door open until approximately four p.m. If there is no agreement by that time the vote will be scheduled, in accordance with the rules, for 7.20 this evening and we will proceed accordingly.

Mr. Riis: Mr. Speaker, because of some difficulty we have had with votes on private members' business, I simply want to clarify this matter very thoroughly.

My old friend has suggested that unless we can come up with some alternate proposal before four o'clock, we will proceed with the normal seven o'clock bell ringing or shortly thereafter, but if we can do something in the next three-quarters of an hour we will, but if not the *status quo* remains.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I think that this is an eminently wise proposal for us to look at.

I do want to indicate to the House that in the event that the debate on Bill C-38 collapses prior than to seven o'clock and we have not come to some agreement that we would want to start with Bill C-12 today and continue it into tomorrow for third reading.

Mr. Dingwall: Mr. Speaker, that was not the understanding that House leaders had yesterday in our meetings with the government House leader and the parliamentary secretary. In fact, moments ago we had a discussion where I clearly indicated to him that would not be our preference.

Of course the government has the procedural right under the rules to proceed with Bill C-12 if it so desires, but I thought, in the spirit of reform and co-operation which was the basis of my thoughtful representation to the House, that the hon. member opposite would not want to dissipate that good co-operation which he is receiving from opposition members and proceed quickly and in due haste without proper consultations between the respective House leaders. I hope he will reflect upon that suggestion that he has just made.

Mr. Riis: Mr. Speaker, I want to say that if there is some way that we can facilitate dealing properly and thoroughly with Bill C-38—it appears that is what we are doing now and we look forward to the completion of that stage. If it is possible through further discussion to enter into a completion of C-12 or a resumption of C-12, I want to simply say we would be pleased to do that. It seems to be in the best interests of the House and moving legislation expeditiously and properly will do that.

So I will look forward to further discussion among the parties in an effort to make this as productive as possible.

Mr. Cooper: Mr. Speaker, I do want to make the time of the House as productive as possible and I appreciate the goodwill offered by my friends and colleagues on the other side of the House.

What I want to indicate is if the debate on Bill C-38 is completed prior to seven o'clock, which would be the normal private members' time, rather than have the House stand down and not proceed with any work I thought it would be wise to call Bill C-12. We certainly have no intention of pushing the bill forward to completion today but simply make sure that we use the full time of the House.

• (1520)

[*Translation*]

The Acting Speaker (Mr. DeBlois): I would appreciate it if hon. members could be brief, because the Chair would prefer to see this kind of discussion taking place at meetings outside the House. Once again, I would appreciate your co-operation.

The opposition House leader has the floor.

[*English*]

Mr. Dingwall: It is kind of premature on your part, Mr. Speaker. However, I understand the concerns of the Chair. The Chair should also be concerned with the fact that it is reported in the media that members on this side

of the House do not co-operate all that much with members on the opposite side.

I wish to point out to the Chair and to members opposite there is a great deal of co-operation. We had certain understandings which were consummated by the three political parties in private session yesterday.

I do not want to get into the details of that, Mr. Speaker, but the parliamentary secretary has made a deviation from that and I wish to underline that. It does not mean that we will not be prepared if he so wishes to use the rules to the government's benefit, we will be here and participate in the debate.

I want the Chair to recognize that we are attempting at every opportunity to co-operate with the government in terms of facilitating legislation, debating it on the floor of the House of Commons, but when the parliamentary secretary makes a deviation from that, we have every right entitled to an opposition party to bring that to the attention of the Chair and to all members that in fact there is a deviation from the clear understandings we have.

Mr. Cooper: Mr. Speaker, I cannot let that sit on the record. The bottom line is yes, there is a great deal of co-operation between the parties in the House and it is something that I encourage and try to foster.

I want to say very clearly that it was my understanding from discussions we have had previously that the back-up bill for any period of time when we completed debate during this week would be Bill C-12.

Mr. Dingwall: You are wrong.

Mr. Cooper: What is the bill then?

Mr. Dingwall: We are supposed to proceed with Bill C-38 tomorrow.

Mr. Cooper: Would you like to proceed with Bill C-30?

[*Translation*]

The Acting Speaker (Mr. DeBlois): Order, please.

I do not think the House is the appropriate venue for this kind of exercise. I trust hon. members will understand that no offence is meant and that my request for co-operation is directed to both sides of the House. I simply want to spare our viewers these discussions which I think would be more appropriately by conducted outside the House.

That being said, I again recognize the hon. member for Kamloops.

[*English*]

Mr. Riis: Mr. Speaker, we will get on with it. As you suggest, Mr. Speaker, the most appropriate way would be to discuss this among ourselves beforehand.

I want to take this opportunity to reflect on the comment made by my hon. friend, the opposition House leader. While we have strong feelings, perhaps opposite to one another in terms of legislation and policy, I want to simply say: Yes, there is a good deal of co-operation. There is a good deal of hard work that goes on to make this institution a productive, meaningful place.

Sometimes it may not seem that way but as a practitioner here, 99.9 per cent of the time it works, very well as a result of the willingness to work together. Let us do that now.

[*Translation*]

The Acting Speaker (Mr. DeBlois): That being said, the Chair will look forward to any agreement that ensues and is subsequently communicated to the House.

* * *

[*English*]

CONSUMER AND CORPORATE AFFAIRS AND GOVERNMENT OPERATIONS

CONCURRENCE IN SECOND REPORT OF STANDING COMMITTEE

Mr. Felix Holtmann (Portage—Interlake): Mr. Speaker, if the House gives its consent, I want to move:

> That the second report of the Standing Committee on Consumer and Corporate Affairs and Government Operations presented to the House earlier this day be concurred in.

Mr. Riis: Mr. Speaker, I was not expecting this concurrence motion today. Perhaps there has just been some breakdown in communication. I wonder if my hon. friend would explain what report this is. There has failed to be some plenary discussions. I do not want to buy a pig in a poke, so to speak.

Mr. Holtmann: Mr. Speaker, with the permission of the House, I would be happy to accommodate the hon. member. In fact, his colleague on the committee of consumer and corporate affairs and the committee as a whole were charged with reviewing WHMIS. We have not completed that. It was to be reported to the House

some time in early November. We wanted some extension of time and that is what the motion was.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

* * *

PETITIONS

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, pursuant to Standing Order 36, it is indeed a privilege to present a petition on behalf of a number of constituents from Kamloops, British Columbia.

They are very concerned at what they perceive to be a reduction in law and order in the communities surrounding Kamloops, as well as Kamloops itself. They are concerned that the RCMP appears to be understaffed, underfunded and hampered in its ability to carry out its duties to uphold law and order and are simply calling upon the Government of Canada to ensure that proper funding is provided to the Royal Canadian Mounted Police.

JUSTICE

Mr. Stan Keyes (Hamilton West): Mr. Speaker, I have the honour, duty and privilege to present to this House, pursuant to Standing Order 36, a petition which has been certified correct by the clerk of Petitions, signed by literally hundreds of Hamilton and area residents who are in support of the parents of Nina de Villiers and draw attention to the House and request that Parliament recognize that crimes of violence against the person are serious and abhorrent to society. They are pleading with this House to amend the Criminal Code of Canada, the Bail Reform Act of 1972 and the Parole Act accordingly.

CROATIA

Mr. Jim Fulton (Skeena): Mr. Speaker, it is my honour to present a petition to the House from residents of my constituency, in particular from Prince Rupert, who petition the House that since Croatia instituted a democratic government in a multi-party election conducted in April 1990 and since 94 per cent of the population of Croatia have voted for independence, the petitioners call upon Parliament to take the initiative in officially recognizing Croatia as an independent and sovereign democratic nation.

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to present a petition signed by residents of Vancouver, Lillooet and Victoria, British Columbia as well as Scarborough, Ontario, which notes that in March 1986 the Conservative government accepted a report from the subcommittee on equality rights of the justice committee and its recommendations, saying that it would take whatever measures are necessary to ensure that sexual orientation is a prohibited ground of discrimination.

They note the government has still not introduced this legislative amendment to the Canadian Human Rights Act some five years after the promise was made. They note that the Canadian Human Rights Commission has consistently called for this amendment and that a number of other jurisdictions, including Quebec, Ontario, Manitoba, Nova Scotia and the Yukon have all included such protection in their acts.

Finally, they call upon Parliament to urge the government to immediately bring forward an amendment to add sexual orientation to the Canadian Human Rights Act as a prohibited ground of discrimination.

TELECOMMUNICATIONS

Mr. Svend J. Robinson (Burnaby—Kingsway): Mr. Speaker, I have the honour to present another petition signed by residents of British Columbia which points out that full consultation among all parties affected by any changes in the long distance or local service relationship must take place prior to any legislative action or regulatory action, that the CRTC hearings on the Unitel bid must be integrated with the development of the over–all Canadian telecommunications policy.

Therefore, they urge Parliament to ask the minister of communications to oppose Unitel's bid to compete with Canada's telephone companies in long distance service.

As well as urging consultation, they urge the minister of communications to hold local hearings in our community before deciding the fate of Canada's telecommunications system.

HUMAN RIGHTS

Mr. Ian Waddell (Port Moody—Coquitlam): Mr. Speaker, I too have a petition. It is similar to the first petition just tabled by the hon. member for Burnaby—Kingsway. Whereas the undersigned your petitioners humbly pray and call upon Parliament to ensure that government and Parliament act to bring forward immediately an amendment to add sexual orientation to the Canadian Human Rights Act as a prohibited ground of discrimination. The petitioners point out that this was promised by the government over five years ago.

• (1530)

I notice on the petition that it comes from many of the constituents of the Minister of Justice's riding in central Vancouver but it is also signed by people like Mr. McIlroy, Mr. Dunn, Mr. Scheck and various people from my own riding of Coquitlam and I would like to table this petition.

RURAL CANADA

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, it is an honour to be able to present a petition signed by over 100 people from rural communities in British Columbia, Saskatchewan and Ontario. These people are strongly protesting actions of this government which they see as a direct attack on the rural way of life in this country, including cuts to VIA Rail service, abandoning rail lines, neglect of fishery, forestry and agriculture and the erosion of rural postal services.

The petitioners are strongly calling on Parliament to support Canada's rural way of life and to reject the Conservative government's program of cutbacks and closures.

PARLIAMENT HILL

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, it is my pleasure to present a petition signed by a number of petitioners from the Ottawa area and the capital region stating: Whereas the presence of asbestos in the work place poses a serious threat to all the work in the parliamentary complex and whereas employees of the House of Commons, the Senate, Library of Parliament and staff of members and senators have no health and safety protection under the law, the undersigned call upon Parliament to press the government to finally proclaim parts II and III of the Parliamentary Employment Staff Relations Act.

UKRAINIAN DAY

Mr. Lyle Kristiansen (Kootenay West—Revelstoke): Mr. Speaker, I have a second petition, under Standing Order 36 which has been certified, from a number of my constituents from the city of Revelstoke and Trail, British Columbia. These petitioners point out that Canadians of Ukrainian descent have a long and proud heritage and have made an enormous contribution to building our country and that Canada's Ukrainian roots should be better recognized by the federal government.

The petitioners ask Parliament to advise the federal government to declare September 7 Ukrainian Day in recognition of the rich heritage and enormous contribution of Canadians of Ukrainian descent.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, the following questions will be answered today: Nos. 104, 129 and 139.

[*Text*]

Question No. 104—**Mr. Holtmann:**

What is the status of the land compensation claim dealing with the surrender of St. Peter's reserve submitted by the Peguis Indian Band located in the Interlake area of Manitoba?

Hon. Thomas Edward Siddon (Minister of Indian Affairs and Northern Development): In 1976 the Peguis Band submitted to the Department of Indian Affairs and Northern Development a land claim dealing with the surrender of St. Peter's Reserve. At the request of the band, and agreed to by the department, the claim was withdrawn because extensive additional research was required. The department's Research Funding Division provided a contribution to the band in 1987-88 to assist the band in completing its research. To date the claim has not been resubmitted. On October 2, 1991 the band advised that additional supplementary research is required and legal issues have to be addressed before the claim can be resubmitted.

Question No. 129—**Mr. Young:**

Did the government consult with recently retired senior public servants concerning the Public Service 2000 task force and, if not, why not?

Mr. Leonard Gustafson (Parliamentary Secretary to the Prime Minister): Yes, there have been consultations through various means:

(a) the Public Service 2000 consultative committee includes four former senior officials—two former secretaries to the cabinet from the Ontario and Quebec governments, two former senior federal officials—Gaétan Lussier and Jaffray Wilkins;

(b) the Public Service Commission undertook a survey of senior public servants who had recently left the Public Service;

(c) many less formal consultations with former public servants, most of whom incorporated their views into articles or speeches, such as Gordon Osbaldeston, former secretary to the cabinet, Jack Manion, former associate secretary to the cabinet and John Carson, former chairman, Public Service Commission.

Question No. 139—**Mr. Nunziata:**

What is the dollar value of all assets and cash seized by the Metropolitan Toronto Police Department that were handed over to the government as a result of prosecutions related to the Narcotics Control Act for (a) 1989 (b) 1990 (c) 1991?

Hon. Benoît Bouchard (Minister of National Health and Welfare):

	YEAR	NET DEPOSIT
(a)	1989	$249,400
(b)	1990	$390,140
(c)	1991 (to October 17)	$386,030

NOTE: The net deposit is the total amount deposited less any amount returned to either the Metro Toronto Police Department or the owner(s).

[*English*]

The Acting Speaker (Mr. DeBlois): The questions as enumerated by the parliamentary secretary have been answered.

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, if Question No. 80 could be made an Order for Return, this return would be tabled immediately.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House that Question No. 80 be deemed to have been made an Order for Return?

Some hon. members: Agreed.

[*Text*]

Question No. 80—**Mr. Skelly (Comox—Alberni):**

For the years 1984–91 how many project applications to each department or crown agency were made by the (a) Six Nations Traditional hereditary Chiefs/Kanesatake Band (b) Kanesatake Communications Society (c) Onentokon Treatment Services and, in each case, (i) what was the nature of each project application (ii) which projects were approved and for how much money (iii) were any projects either approved or rejected among those submitted for review by the member for Argenteuil?

Return tabled.

[*English*]

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

The Acting Speaker (Mr. DeBlois): Shall the remaining questions stand?

Some hon. members: Agreed.

Mr. Riis: Mr. Speaker, I am rising on two points of order. I simply want to inform both the government House leader as well as the Official Opposition House leader and the independents that I have been unable to communicate with some of my colleagues regarding the vote tonight. I am afraid I will have to say that the vote will have to proceed at the predicted time.

Secondly, Mr. Speaker, I have a question to my hon. friend the parliamentary secretary to the government House leader. Yesterday, at the end of Question Period I asked whether the documents quoted by the Minister of Consumer and Corporate Affairs in Question Period would be tabled. The government House leader said that he would be rather pleased to table those.

I have checked with the Table and they have not been tabled yet. I wonder if my friend could see to it that they be tabled.

Mr. Cooper: Certainly, Mr. Speaker, I know there was a commitment made on our side of the House that we would do that and it is our intention. I will follow up to see why it was not done.

GOVERNMENT ORDERS

[*English*]

TELESAT CANADA REORGANIZATION AND DIVESTITURE ACT

MEASURE TO ENACT

The House resumed from Tuesday, November 19, consideration of the motion of Mr. McDermid that Bill C-38, an act to provide for the continuance of Telesat Canada under the Canada Business Corporations Act and for the disposal of the shares therein of Her Majesty in right of Canada, be read the second time and referred to Legislative Committee E.

Ms. Mary Clancy (Halifax): Mr. Speaker, I am very happy to participate in this debate. I will begin by saying that this bill is definitely a bill whose time has not yet come.

Contrary to the argument of the government Telesat Canada clearly still serves an important public policy purpose. In particular it provides necessary satellite telecommunications services to the north and other remote regions of Canada.

Normally when I speak on bills I talk about the ramifications for my own region, the Atlantic, and in particular for my own province, Nova Scotia. This particular bill does not have specific ramifications in my province. It does however have ramifications in some of the remoter areas of the Atlantic, such as Labrador and parts of Newfoundland.

It seems particularly ironic to me that we would be looking at shortening the public policy life, indeed terminating the public policy life, of Telesat Canada, which provides such a necessary service to the remote areas of the country, at a time when we are all so concerned with pulling the country together rather than pushing it apart.

The government argues that the sale of Telesat will contribute to a healthy market driven telecommunications sector vital to the continued growth and diversity of the Canadian economy. One cannot argue that a healthy market driven telecommunications sector is not vital to the continued growth and diversity of the Canadian economy. Of course I would not even start to do so at any time. That is the kind of thing that we all believe in. Surely among the other things we all believe in is some sort of equivalency, if not total equality, of access to national matters of importance for all Canadians. What is of more importance in this information age than access to the information spread across the remote areas of this country by Telesat Canada?

The whole concept of a public policy role finds its greatest spiritual home in this country of ours because we are both blessed and cursed by our geography and population. The fact of our small population spread out across our gargantuan geography has been mentioned heaven only knows how many times in this Chamber. Every single one of our provinces has its remote areas. Our northern territories are remoteness personified *vis-à-vis* the centres of the country, whether the nation's capital or the larger cities. It is absolutely incredible to think that this government can actually give credence to the idea that Telesat Canada has ended its feasibility as a public policy organization.

According to the government the servicing of the northern and remote areas will not be affected by this new legislation. Who has the crystal ball over there? Who has suddenly become the soothsayer on the government side? With with the greatest respect to my colleagues on the government side, if they claim to have some sort of soothsayer who knows what will or will not happen as a result of the privatization of Telesat Canada I can only say that in the minds and hearts of Canadians, whether on this side of the House or across this country, there is not a whole lot of faith in the government's soothsaying abilities. We certainly have seen that it was not absolutely on target, considering the alleged benefits that it told us were going to come from the free trade agreement. We certainly have seen that all the good things that were supposed to stem from the GST are obviously not coming home to the minds and hearts of Canadians. Any soothsaying in that direction was clearly off the beaten track.

• (1540)

There are other areas of soothsaying where the government has fallen down. It was here, in this very Chamber, barely two weeks ago when the Minister of Finance told us the recession was over. The next day he had to eat his words. Indeed he has eaten his words, which is more than some Canadians will be able to do because of the inability to predict even the close future by this government.

When the government said to the people in the northern and remote areas of this country: "Do not worry, be happy, privatizing Telesat Canada is not going to affect your access to telecommunication services", I am afraid we have to say: "Gosh, we just do not believe you". "We do not even guarantee" said the hon. minister. I guess that makes me feel better. A guarantee from this government will make everyone in Canada sleep easier on that one. The touching faith of the hon. Minister of State for Finance and Privatization again overwhelms me—or should I say underwhelms me.

The government has also promised that Telesat will maintain its monopoly on the provision of satellite telecommunication services for the next 10 years. This provision, however, surely an oversight, has not been included in the legislation. Perhaps that alone should give rise to a certain amount of scepticism on the part of the Canadian people. It sounds unbelievable to think that the Canadian people would even be sceptical about this government. I can see the look of horror on the face of my colleague from Ottawa Centre but yes, the people of Canada are sceptical about promises that are written on water, not written in the legislation that the government is bringing forward.

Let me remind you that Telesat is the only Canadian carrier which provides commercial satellite facilities and services across the country.

I have some questions for the government. How will the government force the hand of a private sector company to provide services which may not be profitable, such as providing services to the northern and remote regions? We understand that there are good corporate citizens in this country. We all understand that. Everyone on this side of the House believes strongly, indeed fiercely, in a healthy business sector.

We stand here in recessionary times. We stand here when businesses are going bust all over this country. We stand here when bankruptcies are skyrocketing. Is a privatized company such as this one going to do the unprofitable in the face of the major profits they can make in the other areas of the country? The minister is again astounded that I should even voice such questions. I am just supposed to sit here and take it on trust. Well I am sorry. My constituents did not send me to Ottawa to take the government on trust. Take it on, yes, but not on trust.

The private sector does not have this responsibility. The responsibility lies squarely within the purview of the federal government. A federally owned corporation, put up to advance, promote and defend the cultural underpinnings of Canadian society, which is the mandate of this government, must remain the mandate of this government and must not be thrown away.

When business decides that certain things are unprofitable, they decide it according to their annual reports, their statements, their financial forecast, et cetera and rightly so. That is the way business works. Something this government does not quite understand is that governments and business are not absolutely identical. Government has responsibilities, particularly in the area of what the soul of a country is. If you sell off all of the tools that give you some ability to ensure that the soul of your country remains healthy, then is it any wonder we are in the troubled times we are in with regard to the whole state of this country? Is it any wonder?

I do not accuse the government of malfeasance. I accuse it of just not seeing; of perhaps not looking in the right direction; of perhaps not understanding what is necessary to keep this country on an even keel and on the straight track.

It is also the right of Canadians who live in northern and remote areas to have this access. The minister is nodding at me. I know he agrees. I know that. What I am asking him and his government is: What is your guarantee? You tell me you have a guarantee, but I hear you will, you will, you will. I should take it on trust. I cannot take it on trust. At the very least, why do you not amend the legislation and add in the provision of satellite telecommunications services for the next 10 years? That would be a small thing. It might make us all feel better.

Government intervention in the cultural sphere is crucial to providing Canadians with a common experience. Over the last several weeks we have listened to some of the problems we have with our common experience in this country. We are going through what I certainly hope will be the worst period in our history with regard to national unity and our sense of faith in the future. I hope nearly all members in this House will agree with me, that what we have been going through is the nadir, and it is not going to get any worse. From now on we are going to solve our problems in a spirit of reconciliation, non-partisanship, and a spirit of what is best for the most incredible country on the face of the earth.

But in the meantime this legislation is not helpful. It does not add to the debate we are going through at this very time. It does not add to the sense of security that Canadians are so desperately seeking.

Telesat Canada, via its provision of satellite services, actively supports what should be the cultural policy in Canada. It gives the appropriate underpinnings for dissemination of that cultural policy across the country. That may be taken away and left in the hands of people who may well be good people and good Canadians, but their responsibilities are to their shareholders, their boards of directors, and to a limited number of people.

The Government of Canada's responsibility is to the 25 million Canadians who care passionately not just about their future but about their ability to flourish as a country. Is it any wonder that those of us on this side of the House question this legislation? Is it any wonder that we have fears about this legislation? Is it any wonder that we say that this legislation is premature?

There may come a time when Telesat Canada should indeed go to the private sector, but it seems to me that getting rid of one of the major areas by which the government can enforce its communication policy in the midst of what is a crisis of national unity is downright stupid.

I would go further than that, except I do not want to impugn the motives of the government. I do not. I believe that the members of the government have as much of a passionate commitment to the future of Canada as do the members of the Official Opposition. I see something being done that is downright impractical and counterproductive for a large sector of the Canadian population, for the largest segments of the country.

• (1550)

I see something that is going to go against the forces that we are trying to generate to keep us together. I have to speak out and say this is what we think. Please look again. Can you really believe that this is what you want to do?

There is a saying about cutting off your nose to spite your face, and I am afraid this is what this government is doing. The face of government is already unpleasant enough to the people of Canada without marring it yet one more time.

I want to go on and talk about what happens after the 10-year period relating to the monopoly provision expires. Is there any provision for an extension? What will happen to this fundamental instrument of public policy, presupposing it lasts as the minister keeps guaranteeing it will? Who will fill the void?

If we are not to keep renegotiating 10-year periods, we will have to deal with this in some sort of permanent manner. If we do not, the status of the artistic community and the artist in Canada, for example, will suffer from uncertainty, not to mention the uncertainty that is already facing the people who are the benefactors of this organization.

ACTRA, the Alliance of Canadian Cinema, Television and Radio Television Artists, has said: "While broadcasting is among the strongest links between Canadian communities, it is also the pipeline for an influx of non-Canadian programs which challenge our distinctiveness as a culture".

By virtue of its provision of broadcasting services through the use of its satellites, Canadian television programs can be transmitted to remote regions, diminishing the sense of isolation and difference which people living in these regions experience. Surely that is a truism. Surely we all know that. Surely we all want to see that guaranteed again.

What better way to guarantee it than to retain this particular organization with its Crown corporation status? Why privatize? Why? What is the reason? Surely privatizing Telesat Canada is not going to help in a great way to reduce the deficit of this country. I cannot believe that is the case. Surely we do not sell off what is an

essential part of our birthright for what is essentially a mess of pottage.

An hon. member: Actually keeping it will reduce the deficit—

Ms. Clancy: Absolutely. It makes a profit and yet the government wants to get rid of it.

An hon. member: What about Imperial Oil?

Ms. Clancy: Oh, yes, but I say to the minister that as far as I know we never owned Imperial Oil, unless I missed something.

An hon. member: Oh, oh.

Ms. Clancy: I tell the member from Mississauga that we certainly would. We wanted you to keep Petro-Canada too.

An hon. member: Oh, oh.

Ms. Clancy: The hon. member from Mississauga will have his opportunity. I suggest he calm down.

By virtue of its provisions of broadcasting services through the use of its satellites Canadian television programs can be transmitted to remote regions, diminishing the sense of isolation and difference. That bears repeating: the sense of isolation and difference.

Keep in mind that we are seeing an absolute explosion of telecommunication satellites and that we live, as none of us surely needs to be reminded, next door to the largest, most widespread cultural giant on the face of the earth. Every single one of us is bombarded with American television, American radio, American music, American films, America books, American magazines and so on and so on and so on. That is fine.

An hon. member: Some are carried by satellite.

Ms. Clancy: Some are carried by the satellite, absolutely. That is exactly my point. The hon. minister said that some are carried by the satellite. When those satellites are in private hands, will it be more lucrative to carry American programming or Canadian programming? If it is more lucrative to carry American programming, what then happens to the entire state of Canadian culture?

I will tell you what happens. Without a solid commitment from this government, without a solid responsibility given to the government, inherent in the government and forced by the government, Canadian culture could very well wither on the vine.

We are all agonizing as a group of parliamentarians about the best way to keep our country together. If the government persists in this foolish enterprise, the fact that we have a country may soon become irrelevant.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I cannot let this moment go by because the hon. member made some statements about service to the north that I think have to be answered.

She has a very legitimate concern about the north being serviced. There is no question about that. She is worried that if the government sells its shares in Telesat—by the way it is half owned by the private sector now—the north will not be serviced. We have no power over assuring that the north is serviced.

Let me remind the hon. member of a letter that was written to her colleague, the critic for privatization. He was concerned when we announced the sale of Telesat about service to the north. The president of Telesat who by the way is not a bureaucrat but a business—

An hon. member: Government appointee.

Mr. McDermid: No, he is not a government appointee. He is hired by the company and has the interest of the company at heart. He made a couple of very clear statements to my hon. friend and to the government when we discussed privatization.

The first statement was that service to the north is very profitable for Telesat. That does not guarantee service to the north, and I am the first to admit it, but she is saying that it was a loss-leader. It is anything but. It in fact is a profit centre for Telesat. She should understand that first.

Second and most important, Telesat's customers, the Telecoms and the Canadian Broadcasting Industry, are mandated by the CRTC to provide those services to northern Canada. They must do that to get their licences. So service to the north is guaranteed. I can tell the hon. member, if she has looked into this at all, the expense of putting terrestrial supplies and services in the north is just impossible because the terrain is the toughest in the world. It is impossible, so they have to use these particular facilities.

The other thing of course is that the Telecoms are large partners in this particular operation as well. Service to the north is assured by the CRTC in the mandates that it gives to the broadcasters and to the telephone companies. I think that is very important and she should understand that.

The only other comment I would make is that ownership in a company does not guarantee or assure services or a policy or philosophy of a particular government. She suggested that we put the 10–year exclusivity mandate in the legislation. Another government could come along and amend that legislation just like that. That is not where that type of thing should be put. That should be put in the offer of purchase and sale to guarantee that they will have that exclusivity for 10 years. It has in the past been an exclusivity to them by policy, not by legislation.

As the hon. member may know, a company that happens to be a customer at Telesat applied for a satellite licence just recently. The government and the Department of Communications, in their wisdom, felt that at this stage in the development of our telecommunication system in Canada exclusivity should be given to Telesat.

The member said she does not trust the government or does not trust what we say, and that is fair enough. If that is the way she wants to handle it, that is fair ball. But maybe she would trust the president of the company who has a genuine interest in serving these areas, first of all because his customers are required to do that and second because it is profitable for the company.

• (1600)

Ms. Clancy: Mr. Speaker, I thank the hon. minister for his comments. I fear that once again the hon. minister has misunderstood what I said. No doubt it is my fault for not being clear enough.

First, I do not have all that much faith that Telesat Canada will be mandated by the CRTC to provide Canadian services. That is my concern.

My concern is about the providing of Canadian programming to the north. I realize that right now it is very profitable. That could change.

Was not the CRTC, in dealing with the CBC some years ago, extremely concerned that the Windsor station should stay and provide a Canadian news service to the Windsor area, practically like a dagger stuck in the heart of the United States? That particular mandate has gone by the boards. That is the reason for my lack of trust. That is why I say that you cannot be sure that these things will remain the same.

I do not deny the profitability in the north for an instant. I want to make it quite clear to the minister that I was not suggesting that the service to the north was a loss–leader. That is where I possibly, inadvertently, misled him.

However, I am saying that providing Canadian programming could very well become less profitable than providing the super stations or whatever the explosion of programming from the United States will be.

There is a further question. People have a perfect right to watch whatever they want. In all Canadian cities there is the option of as many as 30 television channels. They run the gamut from movie stations to Canadian stations, American networks, American private stations, et cetera.

I do not have any empirical evidence but I would suggest that Canadian programming, with a few exceptions, suffers in the great wasteland of American programming that is available. We are not trying to, should not and will not be able to legislate to say: "I am walking into your house and telling you what channel you can watch".

We must mandate to ensure that Canadians have a broader choice of Canadian programming to watch as a result of services provided by their government, not services provided in the open market.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I was wondering if the member could explain to me how the Canadian National Railway, which is the owner of the shares to be transferred to the minister, is a cultural organization necessary to the culture of the country.

Why is it so important to the culture of the country that the railroad owns the shares? If it is so important to the culture of the country that the railroad should own the shares, why should the minister not have those shares in the minister's hands? Perhaps the minister could find some other organization to buy the shares that would be a better cultural arrangement for the country.

Is the member opposed to the minister doing something in this regard? Is the member also opposed to the money from the sale of these shares going to the debt reduction fund?

Ms. Clancy: Mr. Speaker, some debt reduction because of the 3 per cent of the shares held by Canadian National. The hon. member is only talking about 3 per cent. He should check his figures.

There was another question raised that was even more interesting when it comes to the cultural life of this country and the way this government misunderstands it. The hon. member from Mississauga asked me whether I really think that CN is such a great cultural institution. Yes, I do. Those of us in Atlantic Canada who do not have much of it any more think it is a great cultural institution. It is another one of those great cultural institutions that bring this country together.

Indeed it was the vision of a great Conservative, Sir John A. Macdonald, who no doubt is revolving in his grave listening to the member from Mississauga, that holds us together and this government has at a great rate systematically, certainly in the Atlantic region, torn down. Is it a cultural thing? I will tell you, Mr. Speaker, what is cultural. Keep CN from selling that line from Sydney to Truro, keep CN from getting rid of the rail lines that go through Atlantic Canada, keep this country together and keep the Atlantic region viable.

We cannot all live in downtown Toronto. Some of us need the services that this country is supposed to provide.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, I am very pleased to follow my hon. colleague from Halifax on this subject. I see that she is leaving to attend a committee meeting that she has delayed me from being at myself. I was hoping she could stay and we might engage in some interesting debate after I am finished. With that disappointment I will proceed.

I am very pleased to give my support to the government's decision to sell its shares in Telesat Canada. I do so because I believe it is pertinent to our goal of enhancing the competitiveness of Canadian firms.

Enhancing Canadian competitiveness is part of our economic plan to ensure greater prosperity for all of Canada. In order to succeed we must draw on the talents and efforts of all Canadians. In today's increasingly competitive economic environment anything less will result in declining standards of living for all Canadians.

In the 1960s there was a popular song that proclaimed that times were changing. In fact times are always changing. Those who fail to adapt are doomed to be left behind. In today's environment the ability to adapt to change is fundamental to the ability to compete, as any successful business person will be able to tell you.

Allow me to explain the connection between competitiveness and government divestiture of Crown corporations and other Crown holdings such as Telesat Canada. I will be the first to admit that when government ownership of an enterprise serves a valid public policy purpose government ownership should be maintained and we should support it. The protection of Canadian technology, the nurturing of infant industries and the process of nation building are three such purposes requiring public ownership that come to mind.

However a critical examination of our Crown holdings and investments reveals a number of entities whose original *raison d'être*—economic, social and cultural—have either been realized or become obsolete or, given the passage of time and events, will probably never be realized.

At one time in our history government ownership was a viable means to provide services which the private sector was unable or unwilling to provide. I would like to read some remarks that the president and chief executive officer of Telesat Canada provided to our Standing Committee on Communications and Culture recently. He recalled the beginning, in 1969, when the government enunciated its objectives in setting up its ownership of that corporation.

One objective was to provide the ability to have national radio and television networks. The satellite now does that. Before that time the CBC was available in parts of Canada and not in others. Today it is available in every town and village in the country, including the far north.

The second objective was to provide all-weather reliable communications between points in northern

Canada and between northern and southern Canada. The satellite did that and still does it. That is no longer an issue. It is here to stay.

The third objective was to provide reinforcement to heavy route east-west communications in southern Canada, and as he points out Telesat does that. One of the things it does, and few people apparently know it, is provide a back-up facility for the fibre cable networks which run east and west. When the networks are dug up by the backhoes for repair or replacement, all of the telephone traffic between Ontario and British Columbia and between British Columbia and Alberta flow over the satellite.

Eldon Thompson, chief executive officer of Telesat Canada, is by the way a New Brunswicker. In a moment I am going to read into the record the very significant performance record in recent years of that company. Eldon Thompson was a former president of N.B. Tel and has distinguished himself both in his own province and on the national scene. He says that in addition to those three original purposes for the government's involvement in Telesat Canada there was a final one. It was to give impetus to Canadian scientific development in manufacturing, and they have certainly done that. There is an export business in Canada today centred on space and satellite equipment, and in fact Telesat Canada itself exports. He points out that they currently get 6 per cent of their revenues from engineering consulting services which they deliver around the world by Canadians based in Canada.

• (1610)

The original purposes for government investment in Telesat Canada have been realized. I think that having justified those purposes the next threshold of achievement by Telesat Canada will be best realized in the private sector.

At one time in our history government ownership was a viable means of providing services which the private sector was unable or unwilling to provide. For the most part that time is past. Due to the maturity, diversity and dynamism of our economic infrastructure, the private sector in Canada is now able to provide the services Canadians need in most circumstances without the government's direct participation. As a private enterprise businessman I applaud that reality in this country. I believe it adds to the dimensions of potential which Canada faces in a very magnificent future, if we can get our current problems resolved.

Therefore in many instances the government's fiscal and human resources are being needlessly tied up in jurisdictions where they are no longer required. This is not just inefficient. It is another word for really being uncompetitive. It translates into lost market opportunities and ultimately into reduced employment.

Let me also remind my fellow members of a basic reality. More than ever before Parliament now has the available legislative powers to influence the direction of the economy strongly and resolve social problems without resorting to public ownership of corporations or joint ventures such as Telesat.

It does not take a genius to comprehend that when government ownership of private enterprise is both uncompetitive and inefficient it should be discontinued. We understood this years ago, and that is why we implemented the privatization program. While Telesat is not a Crown corporation, the sale of the government's shares in Telesat will achieve the same results and the same benefits as though it were privatization.

For example, through privatization we assist in creating new investment opportunities, new job opportunities and new market potential for Canadian firms. That is both pragmatic and rational. It is also the path which almost all of our trading partners throughout the world are following. Failing to do so ourselves will lessen our ability to compete in a world that grows more competitive every day.

We can also promote competitiveness and economic growth by liberating Crown holdings whose potential for expansion is seriously impeded by continued government ownership. By its very nature the government decision-making process is slow. This can seriously affect the performance of Crown holdings whose major arena of operation is the fast moving private sector, which often requires companies to react quickly to changing conditions.

Without the restraint and constraint of government ownership and its complex accountability mechanisms, these firms can generate new vigour, set new goals and create new markets.

It is perhaps appropriate at this time to read briefly from the financial statements of Telesat Canada for

1990, just to put in perspective the significant performance of this company under government ownership. Then we may contemplate the even grander dimensions that it could achieve under the new vigour and energy that the private sector scenario provides.

In 1990 Telesat weathered a rate rollback and aggressive competition within the telecommunications marketplace. It was limited by an economic recession and still managed to increase operating revenues by an unparalleled 21 per cent over 1989. Despite operating expense increases of 11 per cent over the previous year, Telesat recorded net earnings applicable to common shares of $26.4 million, an increase of 29 per cent over 1989.

I will go on to examine the past five years of remarkable growth. In 1990 Telesat completed its first five-year period as a direct telecommunications service provider, with compound year over year revenue growth exceeding 12 per cent. Today Telesat has depth and strength on three vital fronts: as the carrier of choice to Canada's broadcasting industry, carrying signals for virtually all of Canada's national and regional broadcasters; as an important source of transmission services to other carriers and resellers; and as a direct provider of business communication network to government and industry.

In all three areas Telesat has experienced remarkable growth, characterized by the increase in its customer base over the past five years from less than 90 direct customers to more than 350 now, by an increase in its asset base from less than $600 million at the end of 1985 to $1.2 billion at the end of 1990, and by a compound year over year increase in net earnings of 20 per cent since 1985. Those are remarkable financial and economic business achievements.

One of its long-term goals is to become a world player in the next generation of satellite based personal communication systems and its 50 per cent ownership in Telesat Mobile Inc. already gives it a large stake in the North American mobile communications market. At year end it was pleased to announce the contract signing to procure Canadian and U.S. M-SAT satellites that will be operated by TMI.

That just gives a perspective of the excellence of this company, achieved with 53 per cent direct and indirect government ownership. It speaks to the threshold of opportunity, which I am confident redirection into the private sector will bring.

In another perspective let me remind my hon. colleagues of the pressing need to bring Canada's national finances under firm control, one of the purposes of our privatization program. By reducing federal expenditures on Crown corporations or holdings such as Telesat, we will assist in reducing the federal deficit and the national debt. The rewards of doing so are an easing of inflationary pressures, the lowering of interest rates, the prospects for a strong economic recovery, sustained future growth that brings new jobs, and higher levels of prosperity.

As I have described Telesat is ripe for private ownership. We have looked at its inventory of six operating satellites and its five-year record of assisting the private sector in developing a domestic satellite communication system. The original purpose of government ownership has been achieved and it is no longer relevant. The time has come to reap the dramatic potential of this divestiture for the government, not only to assist in our expense control efforts and the contribution to our national debt reduction program but to give Telesat itself the vibrant opportunity which private ownership indeed will bring.

Telesat now provides commercial satellite systems and services nation-wide, including northern and remote areas of Canada. As my hon. colleague, the minister responsible for privatization said a few moments ago—and it was confirmed through a letter from Mr. Thompson, the chief executive officer—those services are secure and unviable. There is no prospect that the integrity of the Telesat service to northern Canada will be diminished.

For economic reasons as I explained earlier, we believe the delivery of these services is best left to the private sector. As it is, Telesat provides its services in competition with private sector telecommunications companies. While Telesat's satellite based telecommunications technology continues to benefit Canadians, securing this objective no longer requires government participation in the company. Frankly if Telesat is not exposed to the disciplines and opportunities of the private sector, then those private telecommunications companies with which it now competes will have a decided advantage. That

certainly is not in the interest of Canadians or the government. We believe that Telesat's market position will be better maintained through full private sector ownership.

The company will continue to produce and provide its services for Canadians on a commercial basis without the government sitting on its board. Telesat will thrive through a stronger incentive to succeed and the enhanced flexibility to pursue commercial opportunities. Its ability to compete will be enhanced as it becomes more innovative, more cost effective and more efficient.

• (1620)

Given the pressing need to enhance our national competitiveness and the state of our national finances, selling the government's Telesat Canada shares is a prudent, sensible and fiscally responsible action. Although Telesat Canada is not a Crown corporation, the sale of the government's equity interest in the company will contribute significantly toward the reduction of the federal deficit.

In closing, we on this side of the House prefer that Canadians have every opportunity to excel against our foreign competition. That is why we intend to sell our shares in this remarkable company, Telesat Canada, and thereby create new investment and market potential for the company, and new employment and investment opportunities for all Canadians.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I am pleased to have an opportunity to say a few words about Bill C-38 that is being debated in the House today.

I would first like to congratulate and thank our member, the critic from Okanagan—Shuswap, who represents primarily the Vernon and Salmon Arm areas, for all of the work that he has done in this particular field. Actually, I had a chance to read *Hansard* and some of the comments made by the Minister of Privatization and by our member when the bill was debated on Tuesday at second reading.

I would just like to say a few things about Telesat Canada and telecommunications policy, or the lack thereof in Canada. I would also like to offer my view with respect to the current government's position as it relates to privatization and selling off public property.

My first comment is in regard to the privatization of Telesat Canada. As the minister outlined in his opening comments, it is technically a disposal of shares, although it is being treated very much like a privatization measure, as if it was a Crown corporation.

We have some concerns on this side of the House in terms of the government decision to dispose of Telesat Canada. Two main concerns come to mind.

Our first concern is that it is Canada's only domestic satellite system and should remain in the hands of Canadians. I was reminded of just how important telecommunications and other communications methods in the country were during the gulf war, while meeting with representatives of Canada Post. They fear that this government might just have Canada Post on the privatization block as well. The member for Mississauga cheers that notion.

This particular postmaster commented that the Government of Canada, at that point during the war, was really turning over our ability as a nation to control and regulate communications policy in the country. So there is a real concern there in terms of loosening the public control over these corporations. I will make a point later about that. I think even the minister might agree with me on some of the concerns over regulating companies in these very vital areas of communications and transportation.

The second concern, from the notes that have been provided to me, is that there is still a struggle in Canada to achieve a communications policy between the federal government and the provinces. In particular, some provinces such as Quebec have demanded to control communications policy outright. I recall previous attempts by some ministers in the government of British Columbia to control communications policy. It is my view that Telesat Canada is one of those operations that I think the Government of Canada should still have a firm hand in.

Regulation, and I think the minister might even agree with me, has become a traditional tool of government, regardless of what side of the House, to regulate and attempt to ensure that there is a minimum level of service.

I am concerned about that, and I will use transportation as an example. Deregulation has caused reduced service in the north. Yet regulation tends either to

guarantee monopoly or guarantee profit and actually eliminate a great deal of competition.

I will be very frank. I sometimes question the ability of regulators actually to guarantee service, be it in communications policy or transportation to the public. However at the same time there is a question about how to ensure that there is the so-called competition to guarantee that service.

I will return to the transportation example. In my community of Prince George there are two airlines competing. While there is not a great deal of difference our regulations, in this case administered by the National Transportation Agency, basically ensure that the level of service they end up providing becomes a minimum as opposed to the maximum that might be achieved. Regulations tend to create a glass ceiling. I am not sure I have a solution for that today, but it is certainly something that we have to consider and examine.

In particular, with respect to northern communities, I am especially concerned about what may be a reduction in the control that government and regulatory agencies have over various organizations like Telesat. One comment that struck me was made by a representative of one of the companies in Toronto after a journey through northern B.C. He said that he was astounded by all the satellite dishes that were around. This was a very senior representative of a communications firm who clearly had not got out of Toronto enough to realize that satellite dishes in people's backyards in northern B.C. is a very common thing.

This person was very senior in his company and obviously participated a great deal in regulatory hearings about communications policy but had no idea whatsoever about what ordinary people in a northern and remote part of British Columbia actually do. Yet agencies rely on his input into the regulatory process to develop policy. If that is what we are doing we are not going to have the best kind of policy in this country.

Mr. McDermid: Which satellites do they access?

Mr. Gardiner: Exactly. The minister makes an important point. The point I am making is that I do not know if we have been getting the best out of the CRTC, often an urban dominated approach. We have some extra work and maybe additional comments could be made in that area.

I just want to finish by discussing very briefly the government's general direction in what would seem to be a disposing of Crown corporations and its interest in other corporations. I do not think it is a great sin that the Government of Canada is involved in some of the vital parts of our economy. I do not think we have a visor vision in thinking that the tool of public investment is an important one for this country. In fact if you look at the history of Canada, in particular the building of Canadian Pacific Railway, the government played a role because of the nature of our country in how it has been developed and its history. I think it should remain.

We are not afraid of government intervention where necessary in the economy. There is cause in many areas that I can think of for expansion. Obviously it has to be done wisely. We are suggesting that at this stage of the game, given the vital nature of Telesat, this is not a wise policy. We are hopeful that when the bill goes to committee there will be more evidence of this nature and when it comes back to the House for further debate additional points can be made.

• (1630)

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I was interested in the hon. member's comments about the satellite dishes in the northern parts of our country.

He may be interested to know that north of my riding, which is just north of Toronto, in the rural parts of Ontario where there is no cable service, you see a great amount of this as well. It is not just in northern Canada, but it is also in areas where there is just not the cable service, where the companies have not got in.

I think the hon. member has made a very good point in expressing in a philosophical way the difference between the Progressive Conservative Party and the New Democratic Party. He obviously made it very clear that the New Democratic Party feels that in order to regulate and to control that it must also own, it must also have its meathooks into whatever it may be whether it be the energy industry or the banking industry.

I think it still has it on its books, although the hon. member can correct me. It is part of its policy to nationalize one of our banks. It has not said which one, but said that it felt it should nationalize one. That was

one of its policies. It also wants to nationalize one or two of the oil companies. That was in its policy.

Maybe it has changed. I am not sure. He made it very clear today that the government should continue to own the satellite company in order to regulate satellite communications in a country.

The regulation is there. This company has not been regulated or dictated to as to what it should broadcast or what it should carry in the past. That has been done by regulating its customers. The broadcasting industry and the telecommunications industry have in the past and will continue to, as far as this government is concerned. He may have a different idea, but as far as this government is concerned, we intend to, through the Canadian Radio and Television Commission assure that the north, our remote areas of this country, are serviced and are serviced by satellite.

That is the only way they can be serviced in a meaningful way. Any of the telcos or the broadcasting industry will tell you that even with the new, wonderful creations they have of terrestrial transmission that in the north it is totally impossible to do it. It is just not economical. Of course, the satellite system is and that is very important to this country.

I would differ with my hon. friend in saying that we have not dictated to this particular company the type of broadcasting it should carry and so on. It carries the TSN network which gives us Canadian sports coverage and sports coverage from around the world, as a matter of fact 24 hours a day, and much of the other broadcasting that goes on in this country as well as telecommunications, especially to the north.

I disagree fundamentally with him that we do not have to own in order to assure regulation and service to these other areas. I think comparing transportation deregulation with the sale of our shares in Telesat is really comparing apples and oranges.

Mr. Gardiner: Mr. Speaker, just a brief comment back to the minister.

It is fair comment about satellite dishes in Ontario as well. I suppose there are probably satellite dishes on some of the apartment buildings in downtown Toronto and downtown Ottawa. That is a fair comment there.

I guess the point I was making was about this very senior person who obviously we rely on a lot for policy and comment, not seeming to be aware of much about communication policy out and beyond the Toronto area.

The second point: I am glad the minister feels that there is a clear difference between the Progressive Conservative Party and the New Democratic Party in terms of what we can do in the economy of Canada, how it relates to government participation in the economy and government ownership of parts of the economy. Canada likely would not have been built if we had followed the kind of policies this government is now pursuing. I think you just have to take a look at where the public sector has been involved. In my province, when we think of things like B.C. Ferry Corporation, B.C. Rail, very successful Crown corporations, and when we take a look at some of the very important Crown corporations in Canada now, CN, Canada Post and when we had PetroCan, as windows on the industry. I do not quite if I would go quite as far as an earlier speaker did and say that CN is a cultural institution. Nevertheless, it is pretty clear that there is a difference between the Conservative Party and the New Democratic Party. We see a vigorous and energetic and positive role for the government in the Canadian economy.

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I appreciate the opportunity of speaking on this legislation.

I want to start by thanking my colleague from Scarborough—Rouge River for outlining our party's position on this legislation.

Before I proceed there seem to be philosophical ideas and proposals floating around the House today and I would like to say, for the benefit of listeners and Canadians, that I think it is important for them to also know where the Liberal Party stands on these philosophical questions.

The federal government or the Conservative philosophy calls for the private sector to do all of the work on its own. The NDP philosophy calls for the government to do everything. The Liberal Party calls for a partnership between the private sector and the public sector in order

to achieve the best answers to our socioeconomic problems.

A member on the government side mentioned that one of the reasons this corporation is going to be sold is because we desperately need the money to put toward the deficit reduction fund.

I would like to suggest that this so-called gimmick reduction fund does not kick in until possibly 1996. As a result of that, there is really no point in trying to give the public the impression that the sale of Telesat or any corporation the federal government has interest and would in fact be used to reduce the deficit. It would be going in one way or another to the general revenues where the government could use part of that money for accounts payable.

As well my party's approach to the question of dealing with the deficit is through economic renewal, through improved productivity in the work force, through the encouragement and increase in the highly skilled work force in our society and ensuring that it is highly skilled and prepared to produce.

On the question of how to reduce the deficit, my colleague could only look at the shortfall in our society as a result of illiteracy, for instance. There is approximately $4 billion on an annual basis in lost productivity. There is $10 billion lost on an annual basis to society as a whole as a result of illiteracy. That is one area the government could focus on if it is really interested in reducing the deficit and dealing with the question of productivity in our society.

When this question came about, I could not help but read one paragraph from a release by the Natural Sciences and Engineering Research Council of Canada, recently released.

The release indicates that Canada's biggest problem is that there is a growing sense of urgency about our future economic base. Dr. Arthur May, past president of the Natural Sciences and Engineering Research Council, says that we are not keeping up with our global competitors in generating new scientific understanding in putting these gains to technological advantage.

• (1640)

In the report which is entitled "Ten Years to the Year 2000" a strategy makes the case that more research and development investment and more researchers are needed to keep pace with international competition and the complex environmental problems that will face the country in the next decade.

The report, which I have here in my hand, is quite an alarming one since the subject matter deals with science and technology, telecommunications and deals with the company that is an outstanding company not only here in Canada but also all over the world. The report indicates that when it comes to the Canadian deficit in terms of buying equipment or selling equipment in science and technology, the cumulative sum is $53 billion between the period of 1978 to 1987. If you look for instance at 1987 alone our deficit in the area of science and technology comes to about $7 billion.

The report goes on to talk about Canada's research environment and talks about international comparisons which show that Canada's spending on research and development is one of the lowest of major industrialized nations. In fact, according to the 1987 statistics, it shows Canada at a 1.38 per cent standing when it comes to those expenditures on research and development as a result of the Gross Domestic Product. That is far below countries such as the United States at 2.83 per cent and Japan at 2.78 per cent.

Mr. Speaker, when you look at 1986 the total expenditure in Canada was approximately $5.6 billion, which was a minimal amount when you compare it to the United States of $117.4 billion, or when you look at Japan spending $41.8 billion in the area of science research and development.

When we look at the research and development expenditures over the last 15 years, what we have been seeing in Canada is a decline in terms of expenditures.

Canada's poor research and development performance is a cause for alarm. There is no question about it. If we are really serious about increasing our society's investment in research and development, we cannot forget the fact that the federal government has a role in the field and that is leadership.

That is why I wanted to just give this very brief introduction about the state of our society when it comes to research and development and where we compare with the rest of the world to clearly state the case for not selling our shares in Telesat Canada. The reason why we

should not be selling our shares in Telesat Canada is that Telesat Canada has proven not only to the rest of the industries in Canada but to industries around the world that it is a leading force among other industries in the area of telecommunications such at Northern Telecom and many others.

Mr. Speaker, if you will recall, when Telesat Canada was established under the Telesat Canada Act in 1969, it was a joint venture between the Government of Canada of the day and the major Canadian telecommunications industry. The purpose of it at the time was to develop a domestic satellite based telecommunications systems and services. As of today, Telesat is the only Canadian company that provides commercial satellite facilities and services across Canada. It is also the only Canadian company that provides basic telecommunications facilities to northern communities and to remote regions in Canada.

Telesat owns and operates six satellites and a network of approximately 500 earth stations. It has launched two satellites this year, Anik–1 and Anik–2. The company's revenues are derived from leasing satellite capacity to major television broadcasting companies, to Telecom Canada members and to other smaller firms that provide specialized value added telecommunications services.

Telesat also earns revenues through the provision of voice, data and imaging services to businesses in direct competition with Unitel, telephone companies and enhanced telecommunications service providers. The company also offers international telecommunication consulting services.

The reason why I define all those points is to give you a profile of Telesat and the kind of services it provides to the Canadian public. But of more interest, it is important to outline that in terms of revenue. In 1989 the net earnings were approximately $23 million; in 1990 the net earnings were $30.5 million. This is not a white elephant; this is a profitable company, this is a leading company in the area of telecommunications. It is profitable.

One would suggest that rather than just selling our shares in Telesat, we should be using those shares as a leverage, as a means for our government and for our society to play a leading role as an example for the rest of the industries in the area of science and technology so that they can invest more in research and development and not less.

As you know, Mr. Speaker, the situation here in Canada is that individual industries, individual companies are spending less on research and development. The government knows that, the industry knows that, the experts know that, and everybody is talking about the need for more investment in research and development. Since we have this leverage, I would suggest we should be using it and not abandoning it.

I cannot help but go back to the report which was released by the Natural Science and Engineering Research Council of Canada. On page 10 the writers talk about political initiatives. This is a very important point, Mr. Speaker. They talk about the fact that we as a society must develop a cohesive science and technology policy and invest more in research and development. They make the statement acknowledging the fact that by the year 2000 over 60 per cent of all jobs in our society are going to require at least 16 years of education. More and more we are becoming a society that depends on an information based industry, that we are becoming a society that needs a highly skilled work force.

I do not think that by letting our shares be put on the selling block that we are setting a good example, in fact, we should be doing the opposite. We should be investing more. Someone was asking me why. Why invest more? Because in all of the leading countries around the world in the area of space research there is government involvement. I would bet you, Mr. Speaker, that if it were not for the American government intervention in the area of space technology, they would not have been able to put a man on the moon.

• (1650)

This is no different for other countries such as the Soviet Union. If it had not been for the intervention of the government in the Soviet Union it would not have been able to achieve what it has achieved in the area. It is the same for Japan, France and all the countries around the world on the leading edge in this area.

I wonder about the wisdom of selling our interest in one of the finest companies in the world, Telesat. On an annual basis the revenues of the industry, especially in the telecommunications area, are in excess of $21 billion on an annual basis. If there is any flag that we as

Canadians could carry with a lot of pride it is the flag of the telecommunications industry. At this point I am at a loss to see ourselves moving ahead with this sale.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I found myself agreeing an awful lot with what the member said regarding government involvement in research and development, space explorations, telecommunications, et cetera. That does not mean that you have to own the company.

The Canadian government was involved in the space arm. It was developed by a private company called Spar Aerospace. We helped them out with the development. The Americans used the space arm in their space program. The space program in the United States is primarily driven by the private sector. You can name any number of companies involved in it. The government does not own them.

That is where I part company with the hon. member. I cannot understand why a government has to be in business in order to participate, promote or encourage research and development and entrepreneurship. I agree with the hon. member when he said earlier: "There is a time and a place for Crown corporations". The Progressive Conservatives established many of the Crown corporations we have today. There is no question about that.

In my opening remarks I said that there is a time and a place when governments should become involved, that is if the private sector is not prepared to do what has to be done or does not have the expertise. A country matures. An industry matures. As that progression takes place governments have the mandate to change. We cannot stay the way we were. Our parents and grandparents would love us to stay exactly the way we were. However things are moving too fast for that.

I part company with my friend who said: "In order for us to participate and promote and encourage we have to own". That sounds an awful lot like NDP philosophy. He said that the Conservatives think that the private sector can do everything. Obviously it cannot or we would have privatized everything, which we have not done. We have privatized those companies that no longer serve a public policy purpose. I am surprised, because he is a clear thinking individual, that he would support the philosophy that you must own in order to promote, regulate or participate.

Mr. Harb: Mr. Speaker, to differentiate us from the NDP we are not calling on the government to do everything. In fact we are calling on the government to be in a partnership with the private sector. Mr. Speaker, if you review the "blues" you will find that was the thrust of my presentation today.

The reasons that the government got involved in the area of research and development in 1969, the motives at that time, should be the same motives followed by the government today in the area of research and development. There has not really been any tremendous improvement in private sector investment in research and development since 1975 when contrasted with what the government has been investing in the area of research and development. Even with its involvement in research and development the government has not been able to kick start private sector investment.

It is not good enough for us to say that it did not work in the past and it did not work after 1969 when we set up the act and all those Crown corporations, so we can abandon it now. We have to be even more persistent because of the failure of the private sector to invest more in the area of research and development. We must lead the way, in partnership with the private sector. By no means am I saying that we should be taking over the industry and running it. Socialist or communist movements around the world have shown us that government-run operations do not necessarily prove to be that successful all the time. There is something to say about the need for one major industry in our society that is big, capable, and produces a solid product.

Simply put, Telesat Canada is that particular corporation. It has a world-wide reputation. We can use it as as an example for the rest of the industry. We could say that this is a situation where the government owned a little under 50 per cent and the private sector owned a little over 50 per cent. It could be a model for partnership between the private sector and public sectors. We could say: "Here is our money" and ask the private sector to put its money out all across the board. The end result would be a healthier industry that could be beneficial for our society and also could help us enter the 21st century as a leading force, especially in the area of research and

development. This is an area where we have a lot of strength, where we have a lot of expertise, where we could do a lot of good and could help other industries.

I cannot help but mention to my colleagues that when comparing the number of scientists and engineers in Canada with Japan you would find that in Japan there are approximately 10 times more engineers than in Canada but in Canada there are 20 times more lawyers than in Japan. This should give us a clear indication that it is necessary to balance things out and quickly shift toward increasing our investment in research and development in science and technology.

M. McDermid: I do not disagree with the hon. member, I do not disagree with him at all. However a government can participate without ownership. In this particular instance the company has asked for privatization so it can be freed to expand and do more things—

An hon. member: To raise some capital.

Mr. McDermid: To raise some capital and do some things. We are having a tough time raising capital in the government. As the hon. member knows the economic situation of the federal government is tight. This is a company that wants to expand, go to the markets, compete, and do more R and D. We can still help it through various government programs without ownership.

• (1700)

That is where we part company on this particular institution. Sixty per cent of the employees are now participating in a shared ownership plan with the company. The management are anxious to get on with privatization. I agree with all he said about the company. It is a great company. I think it is a fabulous and very valuable company. It will do even better without the shackles of government and the resultant slow movement.

To be quite honest the government has a very tough time raising capital these days, as I am sure the hon. member understands. We are on the same wave length. Maybe the same church but a different pew.

Mr. Harb: Mr. Speaker, that is a very interesting comment by the minister.

The bottom line is that there are revenues coming from this institution on an annual basis. In fact there is a lot of money coming from it. Is the $30 million or $40 million we are going to receive from the sale of this company going to solve all of our problems? The answer is no.

I would like to suggest that the government should consider that every time it tries to sell a Crown corporation or an organization in the science and technology industry to make it a requirement that the buyer must spend at least a certain percentage of money on research and development.

What are the requirements going to be on those who are going to buy those shares or on whoever will own Telesat at a later date in terms of investment in research and development?

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, it is a pleasure to speak on this bill, at this stage in opposition to it.

This country did not naturally evolve as a result of geographic or economic forces but was a creation of public policy.

A very small group of Canadians in a small section of the eastern part of this great continent decided that over a period of time they could actually create a nation extending from coast to coast. There were two essential elements to achieving that public policy objective. One was a good transportation system and the other was, increasingly important as time went on, a good communications system.

Those two were achieved by a number of instruments of public policy. One of those was ownership of the means of communication and the means of transportation which were not economically viable in such a geographically large country with such a small and scattered population.

Those instruments became more sophisticated as time went on. Telesat certainly has been one of those instruments of public policy to bring Canada's communications system into, not only the next century, but the next millennium.

The minister said that companies mature. I suppose this is one of those companies that has reached a certain stage of maturity. However the issue really is whether it and the nation have reached the stage of maturity where

there is no longer a public interest in majority ownership of Telesat Canada.

As companies mature, so too do countries. This country is far from maturity. We are still a very small population scattered across a small fraction of our territory. The idea of nationhood still hangs together on very slim fibres of transportation and communications connections. Essentially it is Telesat Canada which has guaranteed that modern advances in communications technology will benefit not only the populated areas of southern Canada, the large fraction of our population of Canadians that live in major urban centres, but all those who live in remote areas, those who live in our northern regions, those who belong to Canada in a real sense only by the communication and transportation connections they have with the rest of Canada.

As companies and countries mature, the issue before us is, has this country matured to the point where there is no longer a public policy purpose for a company like Telesat Canada. I do not believe so and my party does not believe so.

Satellite communication is, in many senses, still in its infancy. The potentials that were set out in the original mandate of Telesat Canada are far from being achieved. The potential of Canada as a leading nation in the field of telecommunications are in their infancy and far from being achieved.

What I see in this bill is the intent to sell off and privatize a big chunk of our future because the future of this country right now is mostly potential. What we have to accomplish is still ahead of us and eroding the foundation on which that future will be built is not in the interests of this generation or of generations to come.

The minister mentioned that management is anxious to get on with privatization. Frankly that is not an argument that carries much weight with me. Over a number of privatizations, I have seen management anxious to get on with privatization often because it is to their benefit to do so. One of the statements on the public airwaves that has made me angriest in the last couple of years was, at the time, chief executive officer, president, whatever, of Air Canada on *Cross Canada Check-up* saying: "Privatize Air Canada and give me the freedom and I will run this company the way it should be run".

I nearly dove through the radio because I said to myself: "If you can run the company better than you are running it now, then why are you not doing it for the people of Canada who have invested in this company." I say the same thing to management of Telesat Canada: "If you can run it better, run it better". It should not make any difference whether you are doing it for your fellow Canadians as majority owners or for private companies as majority owners.

The straight and honest reason why this argument does not carry much weight with me is because there has seldom been a privatization from which management has not benefited financially and personally. They are seldom in a situation where the privatization has not been set up in a way to make sure that happens. So that is not a very convincing argument from the minister from my point of view.

The government obviously feels it is important to maintain the monopoly position of Telesat Canada and yet to remove it from regulation at the same time. That is a very delicate balance to start disturbing. Why I say the government feels that the monopoly should be maintained is that the bill does not provide for, but the government has stated, its intention to maintain that monopoly position for 10 years. However, it does not deal with what happens at the end of 10 years. What is the mechanism for maintaining the monopoly? If there is a benefit to the government continuing to intervene even after it has privatized the company, what is the balance between its continued intervention on behalf of the company in the marketplace and the benefits of continued public ownership.

It seems to me that this bill comes forward, as the numbers seem to do, in the area of privatization and in the area of telecommunications and in the area of transportation, without a very solid policy foundation, without a serious understanding of where we are heading in the future in a number of these domains.

• (1710)

Let me just give you a couple of examples of what I mean by that. Telecommunications and Telesat as part of that industry in Canada has a significant role to play not only in communications within Canada but in Canada's position in the international communications market.

Yet we have a vacuum of policy on communications. Where are we heading on communications? What is the intention of this government? I simply do not think it is good enough to bring forward piecemeal legislation without it being in the context of a policy direction that is demonstrably to the benefit of Canada and Canadians.

Second, we have a vacuum of policy in the area of global trade. We have no clear direction of what kind of market niches this country intends to carve out for itself in the future. We have, it seems to me, no policy that is based on at least an understanding and interpretation of where we think the world is heading, where we think the opportunities are and how we are going to mesh our expertise in various fields, how we are going to start developing new possibilities, new technology, how we are going to frame our education and our training programs in this country to allow Canadians to fit into that world of the future.

I hear a lot of words like global trade and competitiveness but I see no policy foundation on which we are making unique and discrete decisions that will help us as a nation be part of the world of tomorrow.

I see a vacuum of policy on research and development. We are seeing again the further erosion of basic research at the National Research Council. I have spoken on that in this House more than once, but again, no policy on research and development in Canada. There is no sense of future direction that is related to the global marketplace and what Canada will need to be strong in the future in that global marketplace.

Instead, we have traded off long-term prospects for short-term prospects. As we continue to clip the flowers off the research and development tree, which is the direction I see this government heading, we are forgetting to water the roots.

The minister mentioned that government does not have to be owner of a company or owner in an industry to participate in research and development in that industry and that is perfectly true. On the other hand, I see no policy direction with respect to this bill that says: What is the role of government in research and development in the telecommunications field?

We know as well that the use of satellite telecommunications is now and will be increasingly important in the whole area of solving environmental problems, understanding them and applying the technology to deal with some of those environmental problems.

A public policy role for telecommunications in dealing with our environmental degradation world-wide is extremely important. Yet there is no sense, no policy for Canada to be following on how we should be investing in research and development in the environmental area. There is no discussion even of how abandoning the public role in the provision of satellite services in Canada will affect the potential that Canada might have to be an active world leader in some of those environmental applications of satellite and other telecommunications technology.

The minister says that there will be a 10-year monopoly but we do not really know that. In 10 years, what has happened? Is it quite all right with us that satellite accessibility to Canada, to Canadian carriers is only available through companies outside Canada, through satellites that are unconnected to Canada as a nation?

The government has an obligation to answer all these questions and to deal with these issues before it starts selling off piece by piece, part of the infrastructure that allows us to explore as a nation our full economic potential in the world, our full potential to contribute and to benefit internationally from telecommunications, our policy on research and development in many of the areas that the involving world is going to need and our role in environmental research and applications which are at least in one sector strongly linked to communications ability.

I want to mention the situation of one individual because I think it is relevant to this. A scientist who used to work in Canada and then with the sell-off of a major airline company was forced to move to the United States to find work. After two years he was back here this summer putting a serious effort into finding work in Canada. This is a man who has had international training, who is highly specialized in fields that are of significance to Canada in our future scientific research and technology endeavours. There is no place for him in Canada. There is no place for him in government, in the private sector and meanwhile Canadian companies and government departments are importing similar talents from other parts of the world.

If we do not settle where we are going in research and development, it will soon be too late to encourage young Canadians to go into the specialized fields that this country needs. It will be too late to keep them here. It will be too late to have companies with a culture of developing, promoting and using Canadian talent.

This is just one of many stories. This country has lost one brilliant scientist who should be, who wants to be, working here in Canada for the future of Canada.

This whole communications area is one in which Canada has been very much on the leading edge. We have been on the leading edge because of public involvement in the telecommunications industry.

In bringing forward the bill, as it has done today, in a vacuum of policy in a number of areas, the government is saying: "We are getting out of that", and it is giving us no assurances whatsoever that it even considers it important for Canada to stay at that leading edge. I consider that somewhat of an abandonment of responsibility to the future.

I want to take the one or two minutes left to me to speak about the hocus-pocus of deficit reduction. It is a great game that is being played these days of dividing the money up in four different pockets, three different pockets, ten different pockets and saying: "We are using this pocket to pay for this and this pocket to pay for that and somehow we will create a separate little pocket for deficit reduction and it will mean we are spending more on deficit reduction". Nonsense. The money comes in in one lump sum and it does not matter how many pockets you divide it into, it is how you are spending it that determines what your deficit is or is not going to be.

It is also true that one way to reduce the deficit is to get rid of the debt we are carrying. If the government is serious about using revenues to reduce the burden on taxpayers then the way to do that is to lower the debt we are carrying. That is not happening. What is happening is that debt is constantly increasing, but every householder out there knows that until you pay off your mortgage you are continually paying for your mortgage. We cannot have every major error in public policy justified by somehow it is going to reduce the deficit. Spending patterns are what creates or will reduce the deficit. Nothing else. The government knows that and Canadians are not buying the line.

• (1720)

There are a number of policy areas that seriously need to be addressed by this government if the future for Canada is going to hold the same promise and potential that the past has held. I do not think that taking a step like this in a vacuum of policy direction is a wise thing to do.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, just a brief comment.

One of the comments the hon. member made I chuckled at because she said that the government does not have any policy—I think I quoted her right—to where the world is heading. If anybody had told us 14 months ago what was going to happen in the world in the last 14 months as far as politics in this world we live in is concerned, I would have been very, very surprised that anybody could have formulated a policy to understand what has happened so rapidly in the last 14 months in this country.

One of the things that really bothered me about her speech today was obviously she has not yet taken the time to read the paper that was just released by the Minister of Industry, Science and Technology, which answers about 90 per cent of her speech. This paper lays out very, very clearly for the people of Canada the challenge that we have at all levels. This is not a federal government initiative *per se*. This is an initiative that involves the provinces, labour, management, most definitely educators, and the federal and municipal governments.

The interesting thing is that the meetings have already started. They are well attended. A broad cross-section of the public is there, including labour and management, educators and so on, to put a final touch on exactly what the hon. member was talking about.

She stood up and said that the government was doing nothing about it. That is totally wrong. I would encourage her, as I would all Canadians, to take the time and it is going take a little time, to read this very good paper. There is no heavy, heavy terminology in it, so both she and I can understand it. It is good, common language. I would suggest that she take the time to read that, then I

think she would revamp her little speech she just gave in the House of Commons and congratulate the government on taking this initiative in co-operation with all the other groups in our society that have to play a most important part in what she was talking about. That is, of course, the prosperity, the competitiveness, the research and development, training, education assistance and so, to keep Canada in that place where it so rightly belongs.

Mrs. Catterall: Mr. Speaker, I would like to make a comment about the minister's comment. I find it fascinating that I said virtually nothing my colleague before did not say and the policy perspectives which the minister chose to compliment him on. Frankly, I find it a little bit condescending for the minister to refer to my "little speech" and the fact that I probably have not read a report, neither of which is true.

I think it is fascinating that the minister chose to make two totally different sets of comments on two speeches with virtually the same content.

I want to respond particularly to his points because the minister has precisely made my point. In fact, the paper he referred to, as I understand it, is a discussion paper. It is out there for discussion and makes precisely the point that those policy directions are not in place. The minister said: "Well, yes, there has been a lot of change in the world". Precisely when there is a lot of change happening one needs to have a clear sense of what are the strengths of this country, what is our future direction and where do we want to fit so we can adapt to those changes. That is not in fact what I see from the government and it is certainly not what I see in terms of our communications policy on an international level or environmental policy on an international level or our research and development policy.

[*Translation*]

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, I would appreciate it if the Speaker, who is a good friend of mine, would take the trouble to memorize the name of my riding.

As you know, I am very proud to represent the riding of Carleton—Gloucester. As for today's debate on Bill C-38 which provides for the sale of Telesat Canada by the government, I am also proud to say that the company is located in the municipality where I have been a resident for quite some time, and I am referring to the municipality or city of Gloucester.

Some years ago I had the privilege of being a member of Gloucester City Council which was actively involved in bringing Telesat Canada to Gloucester. We were very lucky, because despite some very stiff competition from a number of municipalities in the region which all wanted to have Telesat Canada within their borders, the company fortunately located in the city of Gloucester.

Telesat has 877 employees, 672 of whom are based in Gloucester, at the head office.

[*English*]

Telesat Canada is a profitable satellite communications company which is based, as I said, in Gloucester, my home town. Telesat is jointly owned by the federal government at 53 per cent or over 51 per cent and Canada's largest telephone companies. It is the only commercial communications satellite operator in Canada and derives most of its revenues from leasing satellite channels to broadcasters and telephone companies.

Telesat is regulated by the CRTC. The Telesat Canada Act was passed in 1969. The objects of the Telesat Act are set out in Telesat as follows: (a) establish satellite telecommunication systems providing, on a commercial basis, telecommunication services between locations in Canada and subject to the appropriate intergovernmental arrangements; (b) supply on a commercial basis satellite telecommunication systems and elements thereof in Canada or elsewhere; and (c) provide on a commercial basis services associated with the development, implementation and operation of satellite telecommunication systems and elements thereof in Canada or elsewhere.

The old legislation also contained safeguards which, not incorporated in Bill C-38, provided for the use of Canadian research design and industrial personnel, technology and facilities in research and development connected with satellite telecommunication systems and the design and the construction of the systems. It was truly a Canadian company dedicated to pursuing technological advances in the satellite telecommunication industry.

The government is promising that Telesat will maintain its monopoly on the provision of satellite telecommunication services for the next 10 years. However, it is not including that provision in the legislation. What happens after 10 years? What happens after this lease on public policy expires?

• (1730)

With regard to the global competition, while the government may have achieved part of the public purpose objective domestically, it has not fully achieved any extra-domestic or global objective which was permitted in the original legislation creating Telesat. The global competition challenge continues today more than ever and that should not be removed from Telesat's mandate, as is being done by and with the new legislation. The words authorizing non-domestic commercial initiatives in Telesat's objects are removed in this new bill.

The government may be taking Canada out of a high tech communications sector with a future in the global economy rather than making Telesat and Canada a leader and innovator in the field. Telesat has had the leading edge on the provisions of satellite telecommunications services. Rather than expanding and building on that edge, the government is saying that we have fulfilled the public policy purpose and is getting out.

The Americans would not have put the first man on the moon without the involvement of the American government. The private sector did not do it in the U.S. or in the U.S.S.R. when it put the first man in space. The government is so convinced by the ideology of its friends in the private sector it is now going to turn over this whole enterprise to it.

The government claims that it is disposing of the shares of its holdings in Telesat in its continuing efforts to reduce the deficit, and yet only the net proceeds of the sale of government shares will go to the deficit reduction fund. Why not the gross amount? The government appears to want to keep the $30 million book value for its own purpose. What is that purpose?

In research and development, Bill C-38 makes no provision for the continued use of Canadian research, design and industrial personnel, technology and facilities in research and development connected with satellite telecommunication systems, and the design and construction of the systems. The government is promising that a condition of sale will be a requirement that Telesat continue to give Canadian suppliers of satellites and major earth station equipment first consideration in their purchase decisions. However, there are no guarantees that such practices will be observed once the government's shares of Telesat are sold. How will the government require that first consideration is given to Canadian suppliers? Does this breach GATT national treatment requirements? Is that why it is not in the bill?

I feel this is a back door deregulation. Section 14 of Bill C-38 provides a glimpse at the possibility of back door deregulation in Canadian telecommunications when it states that the CRTC may refrain from regulating Telesat activities under certain conditions. In legal jargon, the term used is "forbearance". Should it be the CRTC or Parliament which decides whether deregulation should occur?

Current Telesat shareholder Bell Canada is saying that it may dump its 25 per cent stake in Telesat if the government's 51-plus per cent shareholdings fall into unfriendly hands, such as a rival company like Canadian Pacific, for example. Bell is said to have been a potential suitor of the soon-to-be private Telesat. Will privatization destabilize and undermine both the market and the future role of Telesat if it is proceeded with through the open bidding process?

Telesat owns and operates six satellites, a network of approximately 500 earth stations, and has launched two satellites this year, the Anik-E2 and Anik-E1.

The company's revenues are derived from leasing satellite capacity to major television broadcasting companies, Telecom Canada members, and numerous smaller firms that provide specialized value-added telecommunications services.

Telesat also earns revenues through the provision of voice, data and imaging services to businesses in direct competition with Unitel, the telephone companies and enhanced telecommunications service providers.

Finally the company offers international telecommunications consulting services. As I was saying, the Government of Canada owns 49.3 per cent of the shares of Telesat Canada and this coupled with what the CN owns amounts to over 51 per cent.

The financial position of Telesat Canada is as follows. In 1990 the operations revenues were $177.8 million. The net earnings were $30.4 million. The total shareholder equity is $282.4 million. The return on investment in 1987 was 10.8 per cent, and in 1990 is now 12 per cent. The book value is $34.54 per share. Telesat Canada has

doubled revenues in the past 10 years and government has a $30 million loan to Telesat Canada.

Why are we dumping Telesat Canada if it is such a good deal? The disposition issue is in my mind. The government will put toward the national debt plus the servicing the net value of the loan after sale. Then how much money is expected to go toward the debt after the sale, if we subtract the $30 million loan and the costs involved in transferring this loan.

My great concern here is the access to information after sale. We are going to have a possible sale of well over $150 million of Canadian shares. Will we have accountability of the disposition? The government has a poor track record in access to information. Take for example the case of de Havilland. Details have been kept secret because it was done, we were told, by Order in Council and therefore kept secret from the Canadian public.

I would like to know from the government minister once the sale is made—and I point out that I disagree with the sale—whether there will be full accountability of the disposition so that the Standing Committee on Public Accounts, for example, can have a thorough look at money for value here. Are we doing the right thing?

In conclusion, in the Canadian way of life, government, community and business often get together as they have in the past to create *des entreprises* that are very successful. Why does the present government want to bash this way of life and sell off the Canadian ownership in these industries to whom I presume can only be their friends?

Mr. Peter L. McCreath (Parliamentary Secretary to Minister of State (Finance and Privatization)): Mr. Speaker, I am pleased to respond to some of the comments that my hon. friend from Carleton—Glouces-ter just made.

Mr. Dionne: I rise on a point of order. It seems to me that we are not properly represented in this House since there is no minister in the House.

Mr. McCreath: I expect that with the presence of ministers in the House, my remarks will be even more carefully listened to.

• (1740)

Listening to my hon. friend, I could not help but think to myself that there really is a fundamental philosophic difference between the people on this side of the House and my hon. friends opposite. My hon. friends opposite think that the purpose of the government is to employ as many people as possible, to put people on the payroll and create jobs. There is only one problem with that. In order to pay all those people they have to engender taxes and people do not like taxes. My hon. friends opposite have a different way of dealing with this. They would just build up big deficits. Now the country is burdened with those deficits and we have to deal with them.

Mr. Belsher: There are only two Liberals—

Mr. McCreath: It is our view that government should only intervene in the economy where there is a public policy need. Indeed that was the case in 1969 when the Government of Canada became involved in Telesat.

The objectives which my hon. friend read, for which that arrangement was made in 1969, have now been met and are no longer required. In our view there is no logical reason for the Government of Canada to remain in Telesat in an ownership position. The purposes for which the arrangements were made have been met. By privatizing Telesat we can accrue significant financial benefit and deal with the debt that among other things is the legacy of the previous government to the people and taxpayers of Canada. I do not think it is appropriate for the government to own things just for the sake of owning them.

My hon. friend has consulted, I believe he said, 672 people employed by Telesat who are constituents of his. It is my understanding that the people who work for Telesat are quite excited at the prospect of privatization. To a certain extent it unshackles the company and allows it an opportunity to grow and continue to develop and pursue market possibilities.

My understanding is that in fact the people of Telesat are quite enthusiastic about this and they support this, even if their member of Parliament does not.

My hon. friend raised a number of questions, and I will try to deal with some of them. He talked about account-ability of the funding. I can assure him, as the minister said in presenting this bill, that once Telesat's $30 million debt and other costs of privatization to the Government of Canada have been removed, every single dollar will go to the debt servicing and reduction fund. I think this concept is very much supported. I know it is supported on this side of the House and by the public at large. I

trust and hope it will be supported by my hon. friend opposite.

My friend raised the issue of back door deregulation with respect to Telesat. The CRTC regulates Telesat under the Railway Act, which requires it to regulate all of Telesat's telecommunication services. This regulation will continue after Telesat is fully privatized. The forbearance provision in the bill is not intended to circumvent the power of the CRTC to regulate Telesat, particularly Telesat's monopoly activities. The CRTC will not abdicate its regulatory responsibilities, however the CRTC believes that some of Telesat's services are offered in competitive markets and do not need regulation. This government does not believe in regulating where it is not required. Accordingly, this legislation will give the CRTC power to refrain from regulating certain of Telesat's activities that it believes—

The Acting Speaker (Mr. DeBlois): Order, please. We are in the question and comment period. I hope that the hon. member will conclude or raise his question.

Mr. Bellemare: Today.

Mr. McCreath: Mr. Speaker, I will attempt to conclude my questions and comments. I guess I was more commenting on the questions raised by my hon. friend opposite.

He mentioned the 10-year monopoly. Telesat is currently Canada's only domestic satellite carrier. At traffic levels forecast over the next 10 years, it is unlikely that the market could support an additional satellite operator. If that is still the case 10 years from now then that monopoly can in fact be extended.

In any event these are just a few quick observations and I am sure my hon. friend may wish to comment on them.

[*Translation*]

Mr. Bellemare: Mr. Speaker, I am most grateful for the way you pronounced the name of my riding so correctly and with such enthusiasm. At least four ministers have decided to come and listen to the end of my speech, and I appreciate that.

[*English*]

I am a strong supporter of the CPR techniques on the Hill, and I will soon make another S. O. 31 statement on CPR. You will recall that some time ago I had a demonstration for the members of Parliament on the Hill here.

I am very glad that you interrupted the member for South Shore because I thought I was going to be using my knowledge on CPR there for a while. He was certainly getting very excited, so much so that I was beginning to worry about his health. I noticed the hon. member got so carried away that at times he had trouble saying what he wanted to say. He accused me of being fond of deficits. I am against deficits, whether incurred by individuals, associations, municipalities, provinces or the federal government. However, I do not think we can talk about a deficit in this particular case, where we have a company that is making an attractive profit, a company that is in good shape, and when we have a mixed enterprise in which the government and business make an excellent team, in a field that is important today and will be in the future. I think the hon. member for South Shore made some serious mistakes, and I am sorry I gave my speech in the hon. member's language instead of my own, in which case he might have paid attention to the translation. He should have listened to what I said instead of getting carried away and saying all kinds of nonsense!

Finally, the hon. member talked about the sale of Telesat. I may remind him that when the government sold de Havilland, we never managed to find out the details of the sale because they hide behind the confidentiality of an order in council in other words, it was a Cabinet decision. I would like to have the assurance that when the sale takes place, we as parliamentarians will get all the answers about this sale, such as who was the seller, who made profits, who earned commissions, and especially this last. We also ought to know how much money was made or lost, and where all the money went. Can the government guarantee we will get an answer to those questions? I doubt it.

I see there are some ministers here, ministers I admire very much, and I would like to hear from them a guarantee that everything will be disclosed.

The Acting Speaker (Mr. DeBlois): Just one comment. I do not know whether the word "cochonnerie" is parliamentary, but perhaps the term was a bit stronger than the hon. member intended. I just wanted to mention this.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

The Acting Speaker (Mr. DeBlois): Carried on division.

Motion agreed to, bill read the second time and referred to Legislative Committee E.

• (1750)

Mr. Charest: Mr. Speaker, I rise on a point of order. For the sake of clarity, I just want to make it very clear that we have just carried on division the motion that you have just announced.

The Acting Speaker (Mr. DeBlois): You are right. That bill is carried on division and referred to Legislative Committee E.

Mr. Fee: Mr. Speaker, it is my understanding that there have been some discussions among members from all parties in the House and there is general agreement that we suspend the sitting of the House until seven o'clock when we reconvene for private members' hour.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to suspend the House?

Some hon. members: Agreed.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): The sitting of the House will be suspended until 7 p.m.

At 5.51 p.m. the sitting of the House was suspended.

Private Members' Business

SITTING RESUMED

The House resumed at 7 p.m.

The Acting Speaker (Mr. DeBlois): Order, please, it being seven o'clock p.m., pursuant to Standing Order 36, the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

On a point of order, the hon. Minister of State for Finance and Privatization.

* * *

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I apologize to you and to the House for interrupting the proceedings, if I might just for a moment.

Pursuant to Standing Order 83(1) I wish to table a notice of a ways and means motion respecting the Income Tax Act and other legislation, and I ask that an Order of the Day be designated to debate the motion.

PRIVATE MEMBERS' BUSINESS

[*English*]

ATOMIC ENERGY CONTROL ACT

MEASURE TO AMEND

The House resumed from Tuesday, October 22, consideration of the motion of Mr. Blaikie that Bill C-204, an act to amend the Atomic Energy Control Act (ending development and exportation of prescribed items and substances), be read the second time and referred to Legislative Committee D.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, Canada is the largest exporter of uranium in the world. Indeed, my province of Saskatchewan has over 20 per cent of world uranium production. Cameco Corporation headquartered in Saskatoon is one of the world's largest producers of uranium. It supplies uranium fuel to electrical utilities throughout the world.

Cameco alone employs 1,200 people in Canada and more than two-thirds of those in Saskatchewan. Indeed, in northern Saskatchewan Cameco is the largest single private sector employer. The Canadian uranium industry

in total accounted for more than $850 million in export sales in 1990.

Canada has developed a world class nuclear technology which satisfies the stringent standards and procedures that are required by the Atomic Energy Control Board. Candu units in Canada supply close to half of Ontario's electricity, about 30 per cent of that of New Brunswick and altogether more than 15 per cent of Canada's total electricity. In 1990 about 17 per cent of the world's electricity was generated by over 400 nuclear power plants operating in 24 countries. So nuclear power is indeed a factor in today's world and we must continue to ensure that it is managed well by qualified and experienced people to serve the needs of the public in a safe and reliable manner.

In the health field, hundreds of thousands of people are undergoing treatment involving radioisotopes, the production of which require a nuclear reactor.

Cobalt 60 is a manufactured isotope used for a variety of medical uses. The Canadian company Nordion International is the world's major supplier of Cobalt 60, which is produced under a contract in Candu nuclear power reactors. Nordion also provides most other reactor produced radioisotopes used around the world, primarily in medical diagnosis. The Canadian industry's pioneering work in nuclear medicine has been instrumental in improving the health of individuals all over the world. Indeed over 500,000 patients in more than 80 countries are treated annually using Canadian nuclear technology.

The use of radioisotopes goes beyond the medical field into other areas of health. Nuclear research has resulted in the development of new plant strains, with higher yields and greater disease resistance. Other applications in agriculture determine the soil moisture in different land areas and their abilities to meet the water needs of specific crops and to track the way crops take up nutrients as a step toward improving fertilizers.

Still another application is to trace the ground water movement of contaminated streams in order to ensure that drinking water intakes are not at risk.

As well, food irradiation promises to improve our ability to preserve food while at the same time reducing the incidence of food-borne diseases. The process for the preservation of food is an area of extraordinary potential significance to Canada and the Third World. An enormously important additional health benefit to nuclear energy stems from the fact that no pollution from combustion products results from the process of nuclear reaction. Nuclear power emits no greenhouse gases, no sulphur dioxide, no carbon dioxide.

The use of nuclear generated electricity for energy applications that currently use fossil fuels will reduce emissions of both greenhouse gases and acid gases which cause acid rain.

It is obvious that renewable means of providing electricity such as wind, solar and tidal power will not come near to meeting Canada's growing needs. We must face the challenge of producing greater quantities of electricity in a clean fashion, thereby protecting the environment and ultimately the health of Canadians.

Passage of Bill C-204 would compromise Canada's successful nuclear power program and the continued supply of radioisotopes for medical treatment and diagnostic purposes. Bill C-204 puts in jeopardy Canada's highly regarded reputation as a reliable and stable international trading partner. No doubt Canada's competitors would take full advantage of this opportunity. The Canadian uranium industry and its mining, processing, exploration and development, which attracts additional major international investment into Canada would be put at risk.

Canada just sold one of its world class reactors to Korea. This sale will inject over $400 million into the Canadian economy. Further orders would strengthen the high-tech part of Canadian industry. There are over 100,000 Canadian jobs dependent on the nuclear history. The viability of the Candu must not be jeopardized by the threat of the moratorium proposed in Bill C-204.

The benefits of nuclear energy that I have addressed today are primarily associated with medical and health services provided by the use of radioisotopes generated in nuclear reactors. These benefits to Canadians, along with many others discussed by previous participants in this debate, clearly indicate the need to preserve and protect Canada's nuclear industry. I urge hon. members to oppose Bill C-204.

The Acting Speaker (Mr. DeBlois): It being after 7 p.m., pursuant to Standing Order 93 the time provided for debate has expired.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

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

[*Translation*]

Before the taking of the vote:

Mr. Gagliano: Mr. Speaker, since this is a Private Member's Bill, I think you would find there is unanimous consent for taking the vote row by row instead of by party, as is customary. This means each member will be able to vote individually.

[*English*]

The Acting Speaker (Mr. DeBlois): Is the House in agreement that the division be taken by rows?

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Perhaps I may remind hon. members of the procedure for taking the vote row by row. Members in favour of the motion will vote first. Members on my right will be asked to rise one row at a time, and members on my left will be asked to do the same. The procedure will be repeated for members opposed to the motion.

[*English*]

The House divided on the motion, which was negatived on the following division:

(Division No. 61)

YEAS

Members

Allmand
Angus
Assad
Barrett
Benjamin
Althouse
Arseneault
Axworthy (Saskatoon—Clark's Crossing)
Bellemare
Blaikie
Breaugh
Butland
Champagne (Champlain)
Desjardins
Duhamel
Fisher
Gagliano
Gauthier
Harvard
Heap
Jacques
Kindy
Langan (Mission—Coquitlam)
Lapierre
MacWilliam
Marin
McGuire
Murphy
Parker
Pronovost
Redway
Robinson
Rodriguez
Samson
Skelly (Comox—Alberni)
Taylor
Waddell
Young (Beaches—Woodbine)—65
Brewin
Catterall
de Jong
Dingwall
Edmonston
Fulton
Gardiner
Harb
Harvey (Edmonton East)
Hunter
Karpoff
Kristiansen
Langdon (Essex—Windsor)
MacAulay
Maheu
McCurdy
McLaughlin
Nystrom
Plamondon
Proud
Riis
Robitaille
Saint-Julien
Skelly (North Island—Powell River)
Stupich
Vanclief
Whittaker

NAYS

Members

Anderson
Atkinson
Belsher
Bernier
Bird
Blackburn (Jonquière)
Bourgault
Browes
Cardiff
Charest
Cole
Cooper
Couture
Darling
Dick
Dobbie
Dorin
Edwards
Fee
Ferland
Foster
Friesen
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Hudon
Johnson
Jourdenais
Keyes
Langlois
Layton
Littlechild
Lopez
MacDougall (Timiskaming)
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Mifflin
Monteith
Oberle
Plourde
Reimer
Richardson
Andre
Attewell
Berger
Bertrand
Bjornson
Blenkarn
Brightwell
Cadieux
Casey
Clifford
Collins
Côté
Crosby (Halifax West)
Della Noce
Dionne
Domm
Duplessis
Epp
Feltham
Fontaine
Fretz
Gray (Bonaventure—Îles-de-la-Madeleine)
Gustafson
Harvey (Chicoutimi)
Hicks
Holtmann
Horning
Hughes
Joncas
Kempling
Koury
Larrivée
LeBlanc (Cape Breton Highlands—Canso)
Loiselle
MacDonald (Dartmouth)
Marleau
Mayer
McDermid
McKnight
Mitges
Nicholson
Parent
Porter
Ricard
Roy-Arcelin

Schneider	ShieldsSobeski	
Soetens	Sparrow	
Stevenson	Stewart	
Tardif	Tétreault	
Thompson	Thorkelson	
Tremblay (Québec-Est)	Tremblay (Lotbinière)	
Van De Walle	Vankoughnet	
Vézina	Vien	
Weiner	White	
Wilbee	Wilson (Swift Current—Maple Creek—Assiniboia)	
Worthy—113	Winegard	

PAIRED—MEMBERS

nil/aucun

[*Translation*]

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

It being 7.35 p.m, this House stands adjourned until tomorrow at 10 a.m, pursuant to Standing Order 24(1).

The House adjourned at 7.35 p.m.

HOUSE OF COMMONS

Thursday, November 21, 1991

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

PETITIONS

IMMIGRATION

Hon. Alan Redway (Don Valley East): Madam Speaker, I have the great honour to present a petition from dozens and dozens of people in my constituency. They are calling upon Parliament to do whatever is necessary to resolve the plight of refugees currently in Canada and make decisions humanely and promptly to allow these individuals to plan their lives.

The petitioners' particular concern is for those people who have been separated from their families for many, many years. They want the situation to be redressed as quickly as possible.

I have a further petition from residents of Toronto, East York, Don Mills, Victoria Village, all raising the concern related to the separation of spouses as a result of the refugee and immigration processes.

The petitioners are calling upon Parliament to do whatever is necessary to allow families to be reunited within a reasonable amount of time, i.e. no longer than one year.

We all know the plight of families of immigrants and refugees who are separated from one another. Obviously this is a situation that has to be redressed quickly.

AGRICULTURE

Mr. Maurice Foster (Algoma): Madam Speaker, I have the honour to present a petition from several dozen farmers from southwestern Ontario deploring the lack of government support.

Last year government support programs were cut by 40 per cent at a time when the world price for grain was dropping by almost a similar amount.

The petitioners are calling on government to provide the same assistance that would have been provided had the new safety net system been in effect during the 1990–91 crop year.

In fact, when the government finally made an announcement, it was only for about half the amount that was needed. The minister is supposed to be making an announcement at eleven o'clock this morning spelling out the exact details of that arrangement.

In any event it is clear to these producers that in fact the government has short-changed them by almost 50 per cent, and the payment is over a year late.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I ask that all questions be allowed to stand.

Madam Deputy Speaker: Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

YOUNG OFFENDERS ACT

MEASURE TO AMEND

The House resumed from Friday, November 8, consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C–12, an act to amend the Young Offenders Act and the Criminal Code, be read the third time and passed.

Mrs. Marlene Catterall (Ottawa West): Madam Speaker, the goal of a safe, law abiding society is one we all pursue and we in this Chamber feel a particular responsibility to work toward.

We have all been shocked by the information on the escalation of youth crime. All Canadians want to get the problem under control. We in the Liberal Party believe this legislation is taking the wrong direction to ensure a society that is safer both in the short term and in the long term.

The goal of the Young Offenders Act when it was passed nearly a decade ago was to protect society in two ways. In the short term the purpose was to ensure that youth convicted of crimes dangerous to society were in secure detention when that was necessary. But the second goal was to ensure that every possible step was taken to protect society from a life-long criminal, in other words to ensure that the young offender did not become a life-long threat to public safety and security.

The belief was that youth detention centres should provide not only incarceration for the immediate protection of society, but rehabilitation, counselling and training that would allow a young offender at a crossroad in life to change from a damaged young person into a contributing, fulfilled member of society.

The purpose was also to separate the young offenders from hardened criminals so that they would not be detained in a place where they would very quickly and effectively learn the patterns of crime for a lifetime and all the skills of crime.

For over 16 months this bill has been before committee. There have been numerous witnesses from all parts of the justice system and the system dealing with youth. The bill has been universally criticized for the direction it takes. It has been called regressive and mired in outdated premises and concepts.

The bill is not based on the notion that society has failed if a child ends up in prison. Rather than deal with the reality of the causes of youth crime and how best to rehabilitate young offenders and avoid a life-long problem for society, the bill in fact makes it easier to penalize children in the adult criminal system and to abandon them forever to a life of hardened crime.

After nine years we know there are problems with the legislation and with the system that implements the legislation and that changes are needed. A big failing is that the needed facilities for the detention and treatment of young offenders have not materialized. The courts, knowing this, are not necessarily mandating detention when they should. The necessary support services have not been provided in communities for young offenders so that the appropriate level of supervision can be provided while a young offender is reintegrated into society at a pace that maximizes at least the potential that the young offender will return to the community as a healthy, adjusted, productive citizen.

Because the resources have not been provided, one thing that is happening is the privatization of detention and treatment services. It is one thing to privatize a baseball stadium, but it is quite another thing to leave to the private sector the treatment of damaged and vulnerable young people.

• (1020)

One benefit of privatizing the system is deemed to be cheaper provision of services. The reason it may be cheaper is that outside the public system it is easier to pay low salaries. The result of that is a rapid turnover of personnel in detention facilities so that those who are dealing with young people are constantly new on the job and inexperienced.

In the privatized facilities there is inadequate control of the delivery of programs, particularly of the rehabilitation programs that the centres are intended to provide. There is inadequate provision for the reintegration of the released young offender into society. There is little control over the fact that there may be very vulnerable 12-year-olds in with reasonably hardened 18-year old young offenders.

This bill does not deal with these issues. It fails to deal totally with the need for a comprehensive rehabilitative program which we and most witnesses heard on this bill have recommended. Instead the solution the government proposes is to transfer the young offender to the adult justice system, to the adult court, and eventually to the adult prison where the school for crime in the life of this young person can come fully into operation.

This bill is giving up on these young people and on the whole intention of the Young Offenders Act. We are trying to avoid for the young offender and for society someone who is constantly in society as a cost and as a risk.

Another compelling reason why this is the wrong answer is the unequal treatment that young offenders receive across Canada. In one province, for instance, the chance of the young offender being transferred to criminal court is as little as 15 per cent, whereas it is as great as 87 per cent in another province. The federal government has to take responsibility for the fact that there is no consistency in treatment of young offenders across Canada. Surely, if we have a nation, it is because we believe there are certain national standards for national programs and national rights that exist within Canada, wherever one happens to live.

A second reason for condemning this approach is the UN Convention on the Rights of the Child. It requires that young offenders be incarcerated separately from adult offenders. It is not good enough to have a lot of press conferences around an international conference on the child and then ignore the international obligations to our children.

Just two weeks ago in Canada we had a national symposium on children and youth; 400 people from across Canada were here when that symposium ended to meet with parliamentarians and make us aware of the crisis facing our young people. They described some situations to us and asked for our urgent action. They are directly relevant to the bill before us today and to the fact that we do have a high rate of young offenders and we are not dealing with them adequately.

Poverty is one of the underlying reasons for the escalation in youth crime. We may all know the figures but I think they need to be repeated again and again and again, until we understand that they are a tragedy in one of the wealthiest countries of the world and they need to be dealt with. One million children live in poverty in Canada. The largest single group of poor in Canadian society is our children. One out of every six children we meet on the street is poor. In 1989 there were 62,000 more poor children in Canada. The problem is getting worse and not better. At many food banks 40 per cent of those being helped are children.

Right here in Ottawa, within the shadow of this building, one child in four lives in a family whose income is insufficient for basic necessities. Some neighbourhoods close to Parliament Hill have a child poverty rate in excess of 35 per cent. Thirty-nine per cent of all the poor children in this region are under the age of six.

We know that poverty leads to higher death rates among children, more accidents, higher hospitalization rates, higher suicide rates, higher rates for dropping out of school, higher rates for never having a decent chance or a fair chance in life.

Child welfare graduates are over-represented among street youth; those on social assistance; the unemployed; the underemployed; those in juvenile prostitution, in youth courts and in penal institutions; and the learning disabled. There are thousands of kids as young as 13 who make their home on Canadian streets. They lead lives marked by poverty, disease, violence and crime.

When I was dealing with youth employment and training programs a few years ago, we were finding shocking statistics among young people who qualified for government training assistance, i.e. people who had been unemployed at least six months and with grade 10 or less education. They had no real employment history and therefore were eligible to come into training.

What we were finding consistently in these training programs was that 80 per cent or more of the young people who met those criteria had been victims of abuse. We can start to see the tremendous cost not only to the child but in actual dollars to society.

Among the prison population that is equally true. There is a very high rate of children who come from families marked by abuse such as substance abuse and direct sexual or physical abuse of the children.

The Liberal Party does not believe in going soft on young offenders. We do believe in trying to deal with the problem that put the young offender in the system in the first place and in not putting that young offender back into society as a danger to society and himself or herself. We have proposed lengthening the maximum sentence from three years to seven years to respond to evidence that the rehabilitative process can often take much longer than three years.

We believe that appropriate sentencing is necessary to maximize the chances of recovering a young life rather than dooming the young person and society to one more criminal on the streets. We have urged the government to establish a totally separate youth justice system in which sentencing and rehabilitation are all part of the package and to put in place the rehabilitative programs that are essential to achieving the objectives of both protecting society and giving the young offender a second chance.

Crime among youth is escalating. Society is paying a high cost for neglecting its most vulnerable and damaged young. These are the ones who end up as our young offenders. The young people who come into the justice system as criminals, and often as very violent criminals, have been failed throughout their youth and childhood by our society. If we fail at the point when they come into the system to deal with a problem that we have been neglecting then we lose the last chance society has to help young offenders become productive citizens.

Let us not miss the last chance we have when they are in trouble with the law, when we have the ability to put them in a controlled environment for their own good and for the protection of society.

The goal of the safe law abiding society rests not in abandoning the goal of recovering young lives but in working harder to achieve it.

• (1030)

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, I am pleased to take my place in this particular debate. I would like to start by complimenting the previous speaker who was in my opinion focused frankly on specific areas that need to be mentioned. I heartily endorse her comments about rehabilitation.

Thirty years ago I came into public life after having been dismissed from my job as a senior personnel officer in the corrections branch in the province of British Columbia for making public speeches on this very subject. I was told that I was outside government policy. From the experience of being dismissed from my job and with my professional background in this particular field I went on to become a politician, only to discover that like everybody else my priority in terms of dealing with children in trouble was not a high priority.

Little did I think that 30 years later the same arguments which were presented would still be necessary in other jurisdictions in this country. This bill is a knee-jerk reaction to what the government thinks is the need to get tough with law and orderissues.

Let me say at the outset that I do not believe there is any ill will in the government's attempt at this bill, but frankly it is simply playing politics with the community and pandering to the lowest common denominator about what this issue is in depth. While my colleague talked about rehabilitation, I only have a few brief moments to concentrate on prevention.

We can predict at this point that regardless of this bill, in spite of this bill and some may partially argue because of this bill, there will be an increase in repeat crimes by young offenders. This is despite any work at all being done to prevent what we know are the seedlings and the fertile ground for future offenders in this country.

This bill does not address what my colleague touched on as a major part of the problem, that is poverty and neglect among children in this country. Frankly, and I say this from a moral perspective, it is immoral if not amoral that this government and previous governments of different political stripes have never set about establishing a child's charter in this nation to ensure that every young child, boy or girl, is defended in the face of every legal protection so that we can assure that each succeeding generation has done its best to prevent the kind of problems that we exacerbate by the nature of the society we have.

Is it justified that children go to school hungry? It is not just a trite statement to be made and abandoned because we are talking about this bill. The reality is that because of government policies, both provincially and federally, every single day children in this country go to school hungry. Every single day children go to school without adequate parental guidance or adult love. Children go to school in this country neglected and battered every single day.

What are the preventative programs to deal with these issues? They are not spoken by the government. They are not detailed out of committee, but instead we have another foolish bill that suggests that we can solve these problems by punishing children. It is very easy to punish children. There is a hypocrisy in our society. Children get punished far more readily by our court system than adults do. The cynicism around the treatment of adults in our criminal justice system, particularly if you are rich, does not even translate down to children.

The quality of the lawyer and the kind of money you have to back you up in the criminal justice system have a major impact on whether you are going to be convicted or found innocent.

Even that range is diminished because for the most part wealthy children do not show up in incarceration. It is the children of poverty and the children of neglect whom we focus on through this kind of legislation with some kind of campaign suggesting law and order and that we are going to show the community we are protecting it.

Every single child who is in need of preventative care and does not get it because of the absence of decent food, decent clothing and decent housing is a ticking time bomb and will come back to haunt the community as adult offenders.

I want to point out that it is not as if we do not know who these children are. Let us examine the first line of defence if we want to talk about protecting the community from violent offenders. From early childhood years we can demonstrate right at the kindergarten or school level the need for preventative services for children who are already giving us signals about severe problems and disturbance.

Tell me where across this country there is a concentrated, detailed preventative program available in the public school system that ensures that a child who shows up in that system, immediately spotted, has access to the kind of care, focus and attention that he or she needs. It cannot be done. That is not our concentration. We will spend money on incarcerating people. We will spend money on punishing people, but any sensible dollar to be spent on prevention is purely accidental rather than by national or provincial planning.

There is lip service being paid to this problem through the private agencies. Lord knows there are many United Way agencies that do attempt to provide preventative child care services, but we have always left that to the private sector. We have always assumed that charity would take care of "charity needs". We have never understood as a nation that our basic moral responsibility is to the child. That is a community responsibility not to be fobbed off in the hope of some charity dollar.

To suggest that this bill by punishing young offenders is going to solve the problem somehow is an outright lie. I am not naming anybody as a liar but the bill is a lie. The bill will leave the impression earnestly with some politicians that once it is passed this problem is dealt with. That is a lie. The bill will leave the impression with the public that somehow we are making new moves to deal with juvenile crime. That is a lie. The bill will leave the impression with some journalists and some earnest editorial writers that this somehow is a step forward in dealing with a very serious problem. I say that is a lie.

As long as there are children hungry in this country, as long as there are children neglected in this country, sexually abused, physically abused and without one adult figure who is able to give love to that child, these problems will continue to grow and expand exponentially in our greatly growing anonymity in our society.

In the old days there was a role for the religious communities in dealing with these kinds of problems. This too has broken down. We are talking about the anonymity of a neglected child in a community that frankly does not give a damn. To suggest that somehow we are going to protect that child from becoming a violent offender by these meagre moves in this bill is absolutely stupid.

What can be done? Let us quickly and in a forthright manner examine a serious problem about poverty. Let us commit ourselves as a nation to say that no child shall ever go to school hungry again. Let us commit ourselves to say that no child, regardless of where he or she lives in this nation, should ever be forced to live in hovels or abandoned to the kind of housing that is a national disgrace, let alone an international disgrace. Let us commit ourselves to a preventative social and health care program that ensures that every aspect of society's services can be mobilized for those children in need.

I am not talking about the 98 per cent or 99 per cent of children who have the good fortune, regardless of all the other inhibitions, to have some loving relationship in their life that can sustain them even through poverty and bad housing.

• (1040)

I am talking about that 1 per cent or even 2 per cent of the children who have never had a chance from the moment they have been born. For those groups—and I throw this in with a note of sincerity—that claim to be the great advocates as anti-abortionists and the pro-lifers, I admire them for their principles but I disagree with their position.

I challenge those groups. If they are so concerned about the lives of the unborn, let them be just as concerned about the ones who are born and put the same amount of energy into defending those children, the kinds of rights they have and the kinds of services they have.

Thirty years have gone by and I still have to make this kind of speech. This indicates to me that either I am a failure or nobody has been listening. But I am not alone; I am not alone. Just recently in this community of Ottawa there were over 400 men and women from all types of organizations demanding of us parliamentarians a new and broad understanding of children's needs in this country.

All of our caucuses met with those people and we were all pious with our platitudes with those people. The summation after their arriving in Ottawa is that we are all good men and women regardless of party, dedicated to the needs of children. It is not true.

It is not because this Parliament is indifferent. It is not because the politicians are indifferent. Frankly we have never taken the time to understand what the heck these problems are in the first place. It is not because they are Tories, Liberals or New Democrats. It simply is that we have not begun to understand that a dollar of prevention is worth $100 of rehabilitation. A dollar prevention is worth a lifetime of a secure life, chance or opportunity for every child in this country.

The only way we can do that in law is to pass a law guaranteeing a charter of rights for children in this country so that any time a child is hungry, without adequate housing or without necessary services in terms of prevention, then by law they are entitled to receive those by order of a court. Anything less will not work.

The goodness, the good will, the decency of all of us collectively simply will not work because priorities around budgets at the municipal level, the provincial level and the federal level are always squeezed for other needs.

Children come first. We can all mouth that, but we have to go beyond it and enshrine it in law to ensure that we are beginning to deal with these problems.

I know I have conveyed with some modest passion some opinions to my colleagues here today and that the government will withdraw the bill and say: "We are going to redirect our energies to ensure that children are protected". Would that happen, I would be a very happy person.

But I would walk out of here. I have said my peace and this day will go. The same system that creates child criminal offenders will go on and on and on with somehow believing that we have done something today to stop it. It is simply not true.

There are my comments. If we really love children, if we really care for children, then let us do it by backing it up with law, not with claptrap.

Mr. Howard Crosby (Halifax West): Madam Speaker, the Young Offenders Act and its amendments raise a subject dear to a number of members of Parliament, I include the one who just spoke as well as myself and I am sure there are many others.

The real point is: What do we do to resolve the problem in Canada of abused and neglected children? How do we martial the legislative and governmental forces to resolve that problem? I think that parliamentary histrionics will not in any way contribute to the resolution of the problem.

I am sure, my hon. friend agrees that we have to be workmanlike about the business of constructing a model legislatively and through governmental resources to respond to the problem.

I hope the member realizes that the Young Offenders Act and its implementation across Canada deal with one aspect of the child abuse and neglect problem and that is the child who runs afoul of the criminal laws. The laws that are there are designed to protect all other citizens. We have to deal with that problem in a real world and in a real way.

I want to ask the member about his interest in the Canadian charter of rights for children. For many years in this House of Commons and other places I have advocated the cause of missing children and sought legislation to deal with that problem. I have been told by officials in the Department of Justice that we cannot deal with the problem federally. We cannot include it in our criminal law because that power was left to the provinces under the civil law power to enact laws to protect neglected and abused children.

The member advocates this Canadian charter of rights for children. I would like to ask him how he proposes to implement that. How does he propose to get the provinces and the federal government onside? Does he recognize that we need a constitutional base for doing this? How are we going to do this unless we succeed in the constitutional initiatives of providing a proper and expedient method for amending the Constitution so that we can overcome these problems?

I say to the member as well: Will he ask his friend, the new premier of British Columbia, to take up this cause and to seek a charter of rights for children and initiate legislation in his own legislature that will lead to a constitutional amendment?

Mr. Barrett: Madam Speaker, I would like to thank my colleague for raising these questions.

The obstacles are not as insurmountable as one would think, as they appear on the surface. For example, let me give a parallel program. One single province initiated socialized medicine in this country and then it ultimately became federally mandated with federal conditions on it. As a matter of fact it was Madam Begin's own legislation that even told the provinces what they could not do about socialized medicine. What is there is the power of the province and then the federal government to order things to be done.

Second, it is already a fact that every province constitutionally has the power to apprehend a child. Every province in this country is mandated by law to apprehend a neglected child, if the complaint is verified, and to protect that child, even removing the child from its parents and putting the child in a foster home. We have mandated the provinces to make those decisions in intervention.

I say that the power is already there. There is not one province that would go back on a foster care program. There is not one province that would go back on the authority to apprehend a child. There is not one province that would deny its responsibility in ensuring, once the case is made in front of a juvenile court, that the child receive the care.

What I am saying is that we should go the next step as we tried to do in British Columbia by closing both Brannen Lake and Willingdon School for girls. We closed them. We ordered them closed, never to return again in the same form, those two training schools. All it takes is leadership and courage.

I am suggesting the legislative pattern that exists in this country would provide it. I say to the member: "Don't walk out, but come back and name a province that does not have this authority already". The authority and the leadership the member asked for exist today in every single province. What is lacking is the will or the commitment to add the auxiliary services.

It is true that the authority to seize a child by the state is already there, but once the child is seized by the state what is the moral and social obligation of the state to provide the services that are necessary? An adult cannot be seized in the same way. The state cannot seize an adult in the same way as it seizes a child. This is a serious responsibility. If the member is serious, he would make sure that the fiscal policies and the budgetary means are there to ensure that child receives the nourishment both emotional and physical which he or she needs. To fob it off by saying that some premier should do something is at best a misguided notion of what already exists. We have the authority. We just do not have the will to commit the budgets.

• (1050)

Mr. Ron Fisher (Saskatoon—Dundurn): Madam Speaker, I would like to compliment my fellow colleague on his tremendous speech. If there is a time for outrage then I suggest this is a prime time for it.

I would like to ask the member a question on the basis of his tremendous experience in this field and leading out of a comment I heard Jesse Jackson make actually a year or so ago. He said: "You have two choices:"—maybe four but in groups of two—"you can have child care now or you can have jail care and welfare later". Although it may not be exactly within the context of the bill, I wonder if the member could make a bit of a connection between the neglect of our children and the ultimate problems we have in later years with criminality.

Mr. Barrett: I want to thank the member for his comment. It is like that popular commercial: "You can pay me now or pay me later".

If we want to look at it purely as taxpayers' dollars, every shred of evidence shows that prevention saves money. But to go a bit further, where there have been studies, where every effort has been made at preventative care at an early age, the preventative intervention has shown that violence will diminish, that person to person attacks will diminish, and that a productive, mature adult is produced in society.

How does it make sense? The member wants an analogy. I will finish by giving an analogy. If a well is poisoned it is obvious that the water has to be cleaned up, so we move immediately under public health and clean up the water. If an illness is diagnosed early and we get preventative treatment then we save a life. There are poisoned wells out there that we know exist, and they are poverty, bad housing, and neglect of children by not having proper day care. Those are the poisoned wells.

There are problems of infection with the same medical analogy. We can spot a virus very early in a youngster. It may be sociological, not physical, but it is real just the same. When we prevent that, just as we do with inoculation or preventative care, we also give preventative medicine. The analogies are there.

Mr. Tom Wappel (Scarborough West): Madam Speaker, I am very delighted to have the opportunity today to address the House of Commons with the concerns that my constituents have brought to me about the Young Offenders Act and about the society that produces offences by young people.

I want to begin my remarks by just saying that the riding I represent, Scarborough West, is one of five federal ridings in the city of Scarborough, which has a population of 550,000. That is a sizeable population. Within my riding I have a sizeable population both of youth and of senior citizens. In the city of Scarborough, and particularly in the riding of Scarborough West, we have conflict and we have difficulty. Some of the conflict and difficulty involves young people who may or may not be dealt with by the legislation we are talking about today.

Very recently in my riding, or just north of my riding actually, literally across the street, there was an incident on a Sunday at a flea market which was packed with people. A group of approximately 50 youths in an obviously well organized, well planned raid, stormed into the flea market, destroyed the glass panels of a jewellery vendor and stole over $100,000 worth of jewellery, almost like a military operation, and they were gone before anyone could even react.

A street in my riding is called Leyton Avenue. People literally are living in fear. In fear of what? In fear of drugs. There are crack houses on that street. It is a known hang-out for some elements of youth. People are afraid to walk on that street. People are literally afraid to walk by certain of the houses on that street. The efforts of the police, while laudable, have not been able to stem the problem. Safety in the streets has been affected.

I am not overdramatizing when I say that the sister of one of my constituency assistants literally had to dive for cover and cover her child with her own body on Leyton Avenue because of gun play. This is in the riding of Scarborough West in the city of Scarborough, in the province of Ontario, in the country of Canada.

If you wear shoes called Doc Martins, or if you have a leather jacket, or indeed any kind of expensive apparel and you are a young person or you are elderly, you literally have to think not twice but three or four times before you go to a local shopping mall. Before you leave that local shopping mall, you may have been swarmed and you may have no jacket and you may have no shoes. The majority of those offences are being committed by young people.

That is a tragedy. People do not seem to know what to do about it. People seem unable to grasp what has happened. They have come to me and said: "What can you as the federal member do? What can Parliament do? What will Parliament do? Is anybody listening? Does anybody know that this is happening in our country?"

I have held public forums in my riding on the topic of safety in the streets and on the Young Offenders Act. I have requested that people write to me about their concerns. I want to tell you, Madam Speaker, that they have attended these forums and they have written to me. I now have the opportunity as their representative to state to this House what their concerns are and what they want me to tell the House of Commons.

There are a number of concerns but the first one is protection for themselves. They feelthat they are no longer able to walk from the senior citizens' home to the local Becker's store and back home. They are confined to their apartments because they fear for their own lives. This is in a major metropolitan area of our country. It is hard to believe but it is the fear.

Virtually everyone I am afraid as a result of this fear feels that the present Young Offenders Act, and I use their words, is "too lenient". We talk about that. We try to understand what too lenient means. Of course, we are talking here not about adults but about children. We are talking about young people who in many cases come from broken families with terrible stories of abuse and difficulty. What do we do? I have heard that in cases of serious offences people want transfer to adult court to be made easier. Why? For the protection of society. These cases are not frequent but when they happen, they shock the sensibilities.

In Scarborough there was a youth who killed three people. He received three years. He is now out on the street. Three years for three lives. That is unacceptable to the people of Scarborough West.

• (1100)

What about the jurisdiction of the Young Offenders Act? People in my riding have pointed out, and I should point it out as well, that the Young Offenders Act of course replaces the Juvenile Delinquents Act. The Juvenile Delinquents Act was drafted in another time, when we did not have the knowledge that we have now about human psychology and about the growth of human beings throughout their lifetimes. However, the age at which a person was responsible was seven years of age. It has now been raised to twelve. That is a concern, as I will illustrate later.

The final concern that was brought out unanimously,was the inability to publish the names of people charged with serious offences. This is not just pointed out by residents and the constituents of Scarborough West; this is pointed out by the metropolitan Toronto police force. How difficult it is for them to apprehend alleged offenders if it cannot identify those alleged offenders to the public. If someone is alleged to have committed a sexual assault on a 10-year old girl, and the police know who they are looking for, they cannot identify that young person. It is against the law. That hampers the ability of the police to apprehend that young person and bring him in to the system which we all hope is going to be able to help to bring him back into society as a productive member. So they are concerned about the ability to publish these names, and this affects their safety.

What is the approach of the Young Offenders Act to young persons? I think it is worth while to quote directly from section 3 of the act, and I quote:

> It is hereby recognized and declared that (a) while young persons should not in all instances be held accountable in the same manner or suffer the same consequences for their behaviour as adults, young persons who commit offences should nonetheless bear responsibility for their contraventions.

That is in the act.

> (b) Society must, although it has the responsibility to take reasonable measures to prevent criminal conduct by young persons, be afforded the necessary protection from illegal behaviour.
>
> (c) Young persons who commit offences require supervision, discipline and control but, because of their state of dependency and level of development and maturity, they also have special needs and require guidance and assistance.

There are a number of other sections, but I am only going to go as far as subsection 3(d).

> (d) Where it is not inconsistent with the protection of society, taking no measures or taking measures other than judicial proceedings under this act should be considered for dealing with young persons who have committed offences.

I do not quarrel with those general statements. The constituents of Scarborough West, I believe, do not quarrel with those general statements. It is the application of those general statements that has brought some problems, and I would like to talk specifically about three of them.

What about transfer to adult court for serious offences? That is one of the things that this bill, the amendment to the Young Offenders Act, is talking about. What is the purpose? Is the purpose to force the young person who is alleged to have committed the serious act—let us say it is murder—into the adult system? Is it the purpose that upon conviction they should go into an adult penal institution? No, I do not believe so. I believe the purpose is to ensure that on a finding of guilt, for the protection of society and for the betterment of the young person who can then take advantage of counselling and all of the other programs that hopefully would be provided by society, society would be protected and we would be prevented from having a sentence of only three years for the crime of murder.

Does this bill do that? The government would have us believe it is are responding to this concern of society, but I say no, this bill does not do that. What it does, sadly, is pretend to do that. If a young person is found guilty of first degree murder or second degree murder in youth court, the bill provides for a maximum sentence of five years, as opposed to the present three years. Or does it? If you look at the bill, you will see that the clause amends the present provision to provide that the person will be ordered "to serve a disposition not to exceed five years less a day". If we left it at that, that would seem fairly obvious on its face. However, it goes on:

> —comprised of
>
> (i) a committal to custody, to be served continuously, for a period that shall not, subject to subsection 26.1.(1), exceed three years from the date of committal, and
>
> (ii) a placement under conditional supervision to be served in the community in accordance with section 26.2.

What does that mean? That means that if we pass this act, a young person who commits the offence of murder will still go to jail for a maximum of three years, no more, if they are found guilty in youth court. Then they will be placed under "conditional supervision" for a period of a further two years.

Really, there is no increase for the protection of society to five years. There is no ability of society to be able to exercise the degree of control necessary for someone who has taken a human life to be able to rehabilitate that person beyond three years, and yet the government pretends that it is responding to the concerns of Canadians for further protection.

What happens if a young person is convicted in adult court? First of all, I am sure that most right thinking people would agree that no young person should be thrown into jail with hardened criminals who are adults. This is not logical. This will not benefit either the young person or, in the long term, society at large.

But what happens? If a person is found guilty, and this could be just as easily a person who is one day short of 18 as a person who is one day past the age of 14, the bill provides that the sentence is life imprisonment without eligibility for parole for between 5 and 10 years, as specified by the judge. If an adult is found guilty, he must serve between 10 and 25 years.

What does that mean? It means that in the particular case that we are talking about, where the young person killed three people—that person was 17 and a half when those murders were committed—the maximum penalty, if that person had been taken to adult court, which that person was not, would have been under this bill a maximum of 10 years, if so specified by the judge.

That is not acceptable to the people of Scarborough West.

What about the jurisdiction of this bill? Many people might not realize that young person is defined as "anyone who is 12 years of age up to 18". What does that mean? That means that if you are under the age of 12, this act does not apply to you. It absolutely does not apply if you are under the age of 12.

In today's paper, there was an incident in Toronto where an 11-year old child had a metal replica of a gun, and that young person, who is not a young person for the purposes of the Young Offenders Act, pistol-whipped an elderly citizen. The police apprehended that 11-year-old and they are powerless to do anything except return that young person back into the hands of the Children's Aid Society. This act does absolutely nothing to help those young people who are under the age of 12 and who get involved in breaches of the law.

If this is known by me, if this is known by my constituents, it is positively known by drug dealers. It is positively known by adults why prey on children and who will use them and have already used them in the United States and in parts of Canada to be couriers for drugs, to be their mules, knowing that because they are under the age of 12 absolutely nothing can be done. This bill does nothing to deal with that problem, and that is a concern that society has. We passed a bill on gun control but if an 11-year old child is seen walking down the street with a handgun obtained from his parents' cupboard, or wherever, nothing can be done. Yes, the gun can be confiscated and given back to the parent but nothing can be done to that 11-year old child. Is that logical? The people of Scarborough West do not believe so. That is the tragedy as well because those young people cannot be helped.

• (1110)

As the section says, those young people require supervision, discipline and control, but they cannot get it because they are not dealt with by the Young Offenders Act.

There is absolutely no change brought about by these amendments with respect to the publication of the names of people who are alleged to have committed serious criminal offences. That is a major flaw. The people of Canada want to know that they are protected, want to know that when their children go to school there is no one among them who has been charged or convicted of a serious criminal offence. We can argue about a definition of serious. I am talking about first or second degree murder.

These are some of the problems that have been identified by my constituents. By no means is it of all of them. What irritates me as their representative, and them is the attempt by this government to pretend that it is dealing with their concerns, when all it is doing is putting out a little bit of window dressing around Christmastime to try and convince Canadians that something is being done.

Young people are not being helped and the concerns of society are not being listened to. I say it is time to listen, not only to the bureaucrats, not only to the so-called experts, but also to Canadians who are afraid to walk the streets, Canadians who feel frustrated that no one is listening, to young people who cry out for authority and guidance in an age when the watchwords are: "Do your own thing "and" if it feels good, do it". We cannot continue with that.

We must come to grips with the fundamental problems that are besetting us, attacks on the family and attacks on authority. It is time to identify these concerns. This bill or the act is a tool which can be used to protect our society and help our wayward children. Let us treat the wound instead of debating the size and colour of the bandage. This bill does not treat the wound and I will be voting against it.

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, I had the opportunity to be sitting here just a few moments ago before this hon. member spoke to listen to the speech of the hon. member for Esquimalt—Juan de Fuca who spoke so eloquently about prevention and the need for young people to be spared poverty and deprivation in our society.

I listened to the hon. member who just spoke and I wonder if he understood the words of the member for Esquimalt—Juan de Fuca on preventive matters. When the member speaks about an 11-year old child engaged in a violent activity or an 11-year old child walking down the street waving a handgun, I wonder if the member is suggesting that something has to be done to punish that 11-year, old child who may have engaged in violent activity, or does he recognize that 11-year old child requires help. That 11-year old child may have been living in overcrowded housing conditions and may have been denied food and sustenance, may have been denied attention, love and care at home. Must that 11-year old child be punished for the way in which society has dealt with him, or does that 11-year old child need care and attention? Should he or she be brought into our society and assured that the child fits into our society?

Is prevention important to the hon. member who just spoke? Or do we have to deal with law and order, throw them in jail, throw away the key, and they have to pay the price for their sins?

Mr. Wappel: Madam Speaker, I really do wonder if the member was listening when I spoke.

I indicated my full support for section 3(c) of the Young Offenders Act which quite plainly says that young people are not adults and require special guidance and assistance which adults do not get.

The point however is that 11-year old child will not get the special guidance and help that society can give because that 11-year old child is not covered by the Young Offenders Act. That is the point.

We are not talking about punishing an 11-year old child. We are talking about helping an 11-year old child, and, yes, I did listen very carefully to the hon. member from Juan de Fuca.

I agree that we have to look at the problems of society and we have to deal with this problem in an over-all sense. I ask hon. members to consider, at a time when the family is under attack, when people are ridiculed for promoting the concept of two-parent families with both parents providing love, care and guidance, when people are ridiculed for advocating monogamous heterosexual relationships, when pornography is proliferating under the guise of freedom of expression, when we are killing

over 100,000 unborn children, female and male, each year at taxpayer expense, at a time when segments of western society are talking about the active killing of the weak and infirm, when males assault females in ever growing numbers and when women and children are abused for sexual gratification, is it any wonder that Canadians feel that our society is falling apart?

Yes, we have to deal with all these matters. We cannot deal with something in isolation and we certainly cannot deal with a bill that pretends to be something it is not.

Mr. George S. Rideout (Moncton): Madam Speaker, it is a pleasure to have an opportunity to speak again on this particular piece of legislation, to discuss in general the wrong aim of the government's bill, to address some of the concerns that I think all members of society have as they relate to young offenders and also to discuss some of the issues that have already been discussed here this morning.

The Liberal Party will not be supporting this legislation because we do not think it works. We recognize there are problems. I had an experience just last evening.

It is hard to believe but I was babysitting for my brother. One of my nephews was asking me about my son, what he does in school and things like that. Patrick also asked me whether he had any Doc Martins, which are the shoes that kids wear these days. I said that yes, he did have a pair. I thought they were the worst looking pair of shoes I had ever seen but he thinks they are kind of neat.

Patrick told me that if he could get those shoes, he could not wear them to school because someone would take them from him. I listened to that and really had trouble believing that was the shape of things until you hear some of the stories about violence in our schools and violence among our youth.

I know my own son, Stephen, talks about attacks among his friends and unprovoked attacks against some of his friends. There is violence and police involvement and all of those things. As we have grown up, I think we have all faced some difficult situations but most of the time, it seems to me—maybe I was sneaky enough or cowardly enough that I always managed to avoid those confrontations—today these confrontations occur more often.

We do have problems with youth and you hear stories of the real crime elements, of drug lords utilizing youth as part of that trade. You hear of youths being involved in swarmings and all of those types of things. We recognize that there are problems.

I guess my concern is that I am not sure that locking up children is the way to solve that particular problem. I agree with some of the comments just made, that we have to take a look at this on an holistic basis. There are housing problems. There is poverty. There is child abuse that leads to these types of circumstances. Are we really treating the symptoms rather than treating the actual cause?

• (1120)

This legislation and the changes that are proposed by the government are still just treating symptoms and not moving to the real root cause of the problem. How do we eradicate poverty and youth poverty? How do we eradicate the problems of housing and situations like that? How do we eradicate child abuse? Those are things that have to be addressed as well.

I believe that this legislation will do nothing really to solve that problem. What it is responding to in large measure is the issue of law and order, keeping these kids off our streets and locked up and out of the way. I think that in some sense we can understand that because we do not like to see that type of violence occurring in our communities and we particularly do not like to see it where it involves young people.

At the same time, locking up a child for 10, 15 or 20 years like an adult is going to create, in my view, a monster in the end. If we take the classic case of a youth who was involved in murder, transfer that youth to adult court and put that youth in an adult prison for 20 years, what are we going to have? The thing to remember is that child is probably 15, 16 or maybe 17. Tack that 20 years on and we are looking at someone who is going to be back in society at age 35, 36 or 37 and what have we created with that youth?

In my opinion, Madam Speaker, and I am sure that you would agree, we have created a monster. We will create a number of monsters because our prison system is such that if those children were abused before they went to prison, for sure they will be abused while they are there. We will then be condoning that abuse of our youth.

I think the intent of the young offenders legislation is proper. We should say that youth are different and we should look at how we treat youth and how we make them pay for the mistakes that they make. We have to look at a whole host of things.

However, making it too easy to transfer young offenders into the adult system is not in my way of thinking rightly aimed. The obvious situation is that if you are unfortunate enough to be a youth in some provinces you are more likely to be transferred to the adult system than if you are in another province. I cannot remember the statistics exactly but I know that you are less likely to be sent to an adult court in Prince Edward Island than you are in Manitoba.

A youth or a child is going to have his life dictated somewhat by where he or she lives. That is not fair and equal treatment under the law. We must have as much even treatment as possible in our system so that all youths are treated fairly and equally.

The other complaint that I see in the legislation and the concern that I have is in the area of rehabilitation, training and education. For a child of 14 to 15 to turn to crime means that something very seriously wrong has occurred prior to attaining that age. What are we doing to rehabilitate, train and educate these children?

I guess our answer is: Let us send them to the adult prison and there they can get their education and they can learn how to make licence plates. The legislation does not seem to be rightly aimed in my view. They can learn how to perform crime better in this adult institution. They can learn how to avoid being caught the next time they get out rather than sending them to institutions and places where we can try to convince them that life or that lifestyle is one that is unacceptable and not to be accepted by society and at the same time point them in a direction that they do not see the benefits of crime and in fact they see nothing but the disadvantages of crime. The opportunities that our society presents to them are such that they can be participants in society.

Instead the government is of the view that we should make it easier for these children to be sent off to the adult institutions. We have all heard the gruesome stories and we might as well say them out loud. Some of the older prisoners look with glee when young boys arrive at that institution. They are even carving up the spoils, so to speak. What this government wants to do is send those children to that life, to that lifestyle.

We on this side of the House feel that is wrong. We feel it contradicts the UN Convention on the Rights of the Child, and while the government has tried to fix it up it has failed. That contradiction of the UN charter of Rights still exists and has not been dealt with.

We believe that the solution to achieving the intent of the legislation—and the intent is good—is a thorough overhaul of the whole system to create a youth system of justice. Let us keep youth in that system.

There is no question that some youths are abusing the system as it presently exists. I do get upset when people talk about the child who committed three murders and only got three years. That was not the fault of the legislation. It was the fault of the court and the people who administered it. We cannot strike down the intent and direction of that legislation just because it has not been properly handled.

We think that two things have to be done. There has to be a youth or juvenile system with all of the rehabilitation, training and education facilities that are necessary so that we can salvage these youths. At the same time there have to be some deterrents. Those presently in the legislation do not seem to be working. In my other life as mayor of a community I would listen to the police talk of the problems of juvenile crime and try to solve those problems. I am aware of the problems that the police forces face.

But the solution that the police want is a longer sentence. I think in some sense that is not bad, depending on what we are going to do with that child or that youth. Maybe we should look at it as an opportunity to try to salvage that youth and not put him out of the way in an institution so we do not have to worry about him for a period of time. If we do that we are going to have to worry about him when that period of time is over. We will face far more serious problems each time we do that.

Maybe we should get our house in order as far as youth are concerned. We must deal with a proper housing policy. We must deal with poverty in our inner cities and poverty among youth and elderly people, all of those things. We have to look at all of these issues on an holistic basis.

We on this side think that the present legislation is wrong. We proposed a number of amendments that would have put some heart into the legislation and corrected many of the deficiencies that are there so that it would comply with the UN Convention on the Rights of the Child. But the government did not see that as a good idea. It decided to move on the side of punishment

rather than on the side of salvaging youth. For us on this side of the House that is unacceptable.

Mr. Gilbert Parent (Welland—St. Catharines—Thorold): Madam Speaker, my hon. colleague has indeed touched on many of the pertinent points with regard to this legislation. The whole theme of what he was saying this morning was that we should look at ways to salvage youth rather than simply punish them.

• (1130)

I share with him and many parents across Canada the grave malaise we have in this country. Young offenders seem to snub their noses at the system. As recently as a week ago I had a call from a mother who was saying that because of the way the law is interfering with her life she has less and less control over her children. She was asking me how she was going to raise her children. I bring this point up only to show that she wants to salvage them, but at this point it seems that the law puts her children beyond her.

My colleague has mentioned that we should have the proper facilities and training. I very strongly believe that we should have mandatory counselling whenever a young offender is charged and convicted and before he is released. I do not believe that they should have the option of whether they take this counselling or not. This opens the door once again to the young offender saying: "Look, I do not want to be helped". In many cases I do not know if they are equipped to make that decision.

I put it squarely to my colleague. I would very much like him to make not only a personal comment but one on behalf of the Liberal Party as he is our direct spokesperson in this debate. I would like his views on what I think is a necessity at this point, that is the obligatory counselling of young offenders after they have been accused, after they have been tried and after they have been sentenced for crimes which they have committed.

Mr. Rideout: Madam Speaker, I thank my colleague for his question. It was one of the difficult issues that our committee faced when we looked at this particular legislation. What is suggested by compulsory training and rehabilitation is overshadowed by the Charter of Rights and Freedoms and whether those rights exist and how we could accomplish that.

Our view on the committee was that we probably could not make it compulsory, even though some of us thought that it was a good idea and would like to do it. The advice that we received was that it would be struck down as unconstitutional. We thought that if we put enough flexibility into the system we could probably achieve the goal by using the carrot and stick method. Youth who took the training, rehabilitation, counselling and all of those types of things would be eligible for consideration for being out sooner. More benefits would flow to that young person by embarking on a rehabilitation-type process through consultation and those types of measures.

The other answer that I would like to give to my colleague is that the problem we face in Canada is that we are told we do not have enough resources. That is the scary part of this legislation and the way the government is aiming it. Its solution is to bump them up into adult court, just get rid of them, and then we will not have to face that problem.

What we are saying on this side of the House is: put the money to the test and make a system that works. Let us have a youth system with all of the benefits that could flow from that. Let us keep our youth out of the adult system. Make all of the consultations, rehabilitation, education and training facilities available so we can salvage our youth.

In short, my answer is that I personally thought that compulsory treatment and counselling was a good idea, but I faced the legal argument of the Charter of Rights and Freedoms. I had to agree that probably would intrude on the situation and therefore we could not achieve what might be a good idea.

Mr. Russell MacLellan (Cape Breton—The Sydneys): Madam Speaker, I would like to thank the hon. member for his excellent speech.

I think it gave us a lot of information and certainly put in perspective, first of all, the problems that this bill creates and, second, the problems that are already there that it does not help.

The member has alluded to the fact that we will send these young people to incarceration and they will come out after having had a crash course in how to commit crime. They will also be sexually and physically abused so there will be a greater than average chance that they will

have a terrible grudge against society. They will feel that now they have made this start in life they cannot possibly recoup, and they will just continue what they are doing and become more desperate and proficient at doing it.

I think we are not solving anything here with respect to rehabilitation and treatment of the young offender. I do not think we are doing anything to curb the increasing crime rate in this country that has alarmed a great many of our citizens.

I would just like to ask the hon. member who represents a community in Atlantic Canada and has been involved in municipal government about his concerns and the concerns of his citizens with respect to the rising crime rate. We have heard about the concern of citizens in large cities and I just want to ask him if that concern also applies to average or medium sized cities.

Mr. Rideout: Madam Speaker, I thank my colleague for his question. I do not think there is any question that all communities throughout Canada are concerned about the rising crime rate. That is what we have to be on our guard against, and because it is occurring we have a knee-jerk reaction.

I think we have to put in place a system that will work. I was just reading a comment in one of the recent media reports that violence by youth rose by 34 per cent over a four-year period and that violent crime was up dramatically in the year 1990-91.

There is no question that there is a problem and it is not only in the big cities. In my own community we have seen a number of violent crimes and an increase in the number of murders. That even excludes the high profile ones like Allen Legere and others that everybody has heard about.

In the youth area, as we talk to school teachers and parents, we recognize that there is an upswing in violence among youths. The children in our schools are living to a degree in fear and have now learned how to deal with the rules of the jungle.

My nephew Patrick told me last night that he would never wear any clothes that were in style because somebody would try to take them. This is a kid who is 11 or 12 years old. That is the reality that a kid here in Ottawa is dealing with, and my son tells me the same thing in Moncton, New Brunswick. It is a problem. There is violence and the children have learned how to deal with it. Patrick told me that he just wears regular stuff. He does not wear any of the popular things because that would be a problem.

There is violence. There are serious things happening. They are not just happening in the big cities; they are happening in the small cities too.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Madam Deputy Speaker: All those in favour of the motion will please say yea.

Some hon. members: Yea.

Madam Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

Madam Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Madam Deputy Speaker: Call in the members.

And the division bells having rung:

• (1140)

Mr. Vien: I rise on a point of order, Madam Speaker. Could we have unanimous consent of the House to defer the vote until Monday?

Madam Deputy Speaker: The hon. member for Laurentides is the acting Whip for the government. I had been advised before that the government Whip would be asking for the vote to be deferred. This is totally according to our rules so the vote is being deferred until tomorrow and, Friday being a day on which we do not vote, the vote is automatically deferred until Monday.

CRIMINAL CODE

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-30, an act to amend the Criminal Code (mental disorder) and to amend the National Defence Act and the Young Offenders Act in consequence thereof, as reported (with amendments) from the Standing Committee on Justice and Solicitor General.

Hon. Shirley Martin (for the Minister of Justice) moved that the bill, as amended, be concurred in.

Motion agreed to.

Madam Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mrs. Martin (for the Minister of Justice) moved that the bill be read the third time and passed.

Mr. Rob Nicholson (Parliamentary Secretary to Minister of Justice and Attorney General of Canada): Madam Speaker, I am pleased to have this opportunity to rise and speak in favour of this bill at third reading stage. I believe this bill represents a major improvement in the law respecting the mentally disordered who have come into conflict with the criminal law.

In introducing this bill the Minister of Justice said it proposes "wide-ranging changes to modernize, streamline and clarify the provisions of the Criminal Code dealing with mentally disordered accused".

Today I would like to deal with the role of the review boards in assuring that mentally disordered persons who have been found to be either unfit to stand trial or not criminally responsible are dealt with fairly and in a manner that takes into account public safety.

Under the provisions of the Criminal Code as they stand today, the lieutenant-governor of the province is the person responsible for making all decisions regarding the detention, care and conditions of release of those under the authority of a lieutenant-governor's warrant. While the code does provide for the establishment of boards to review the cases of persons held in custody under a lieutenant-governor's warrant, this provision is not mandatory. British Columbia and the two territories have yet to establish review boards under the authority of the code. The role of the board is merely advisory. Nor does the code give much guidance as to how boards should conduct themselves.

It is therefore not surprising that the Law Reform Commission of Canada in its report entitled *Mental Disorder in the Criminal Process,* published in 1976, found that the make-up of the boards differ, the resources available to the boards differ, the criteria they apply, the procedures they use, the material they examine and the rights they accord the prisoner patients all differ from province to province. In some the differences far exceed the similarities.

While in recent years the review boards have taken pains to find out what their counterparts in other provinces are doing, the first annual report, *Canadian Data Base: Patients Held On Lieutenant-Governors' Warrants,* prepared by Doctors Hodgins and Webster for the federal Department of Justice in October 1989, continued to show very considerable discrepancies in procedures.

I do not by this intend any criticism of the review boards or their members who are performing a difficult task with great dedication. Nor am I suggesting that we should insist upon absolute uniformity of procedure as between the various review boards. However it behoves us to assure that there is equality of justice in the way in which we treat mentally disordered persons who come into conflict with the criminal law. This is particularly so in light of the comments made by the Supreme Court of Canada in the case of Swain *v.* The Queen, which talks about the way in which mentally disordered individuals are dealt with presently under the Criminal Code.

In order to foster equality of treatment the bill requires that a review board be set up in each province and territory. This provision guarantees that no matter where one is in Canada cases of this type will be dealt with by a body that has the same structure, powers and obligations as elsewhere in the country. Moreover, henceforth the review board will be the decision-making body rather than merely an adviser to the lieutenant-governor as is the case today.

From both a legal and practical point of view this change makes sense. There is a principle of law that the person who decides the case must hear the evidence, but the lieutenant-governor presently hears neither the witnesses nor the arguments of counsel. It is the review board that sees the mentally disordered person, hears

the evidence, examines the files and has the expertise to make a proper assessment of what needs to be done.

From a practical point of view in the larger provinces if the lieutenant-governor were to consider each individual's case with the same care that the review boards do, he or she would have to spend almost full time examining and deciding these cases. Of necessity therefore the lieutenant-governor must rely on the recommendations of the review board. The proposed modification puts the decision-making powers where they belong.

This bill also proposes changes in the structure of the review boards. Under the existing provisions of the Criminal Code, a review board shall consist of a minimum three and a maximum of five members, at least two of whom shall be duly qualified psychiatrists entitled to engage in the practice of medicine under the laws of the province for which the board is appointed, and one member shall be a member of the bar of that province.

The new provisions would set the size of the review board at a minimum of five but with no maximum. The larger minimum is to bring a greater range of expertise to the board, while the elimination of the maximum is to allow for different panels of the board to be created in large provinces so that service on the board does not become too onerous for its members who have to take time off from their regular positions.

The membership of the review boards will also be changed. With the elimination of the role of the lieutenant-governor from the process, it was thought important to have the board chaired by a federally appointed judge, a retired judge or a person eligible to be appointed as a judge. This would help to ensure that the public would have confidence in the board. Provision is made however to permit the incumbent chairperson to complete his or her term of office so as not to interfere with the operations of an existing board.

This bill also reduces the minimum number of psychiatrists on the review board from two to one. However, where only one psychiatrist is named at least one other person must have training and experience in relation to mental health and be qualified by the laws of a province to practise medicine or psychology.

The reason for this reduction in the required number of psychiatrists is that in the territories and in some of the smaller provinces it is often difficult to find two psychiatrists that have not been involved in the treatment of a mentally disordered person before the board.

• (1150)

For this same reason the bill only requires that the designated professional members of the review boards be qualified somewhere in Canada and not necessarily in the jurisdiction where the board is located.

Both the Law Reform Commission of Canada report which I have referred to earlier and the study done by Doctors Webster and Hodgins reveal that the review boards conduct their hearings in a fairly idiosyncratic manner. It is not essential that the procedure followed exactly the same procedure in every board. However there are some basic rules which must be adhered to if the procedure is to be "in accordance with the principles of fundamental justice", to use the words of section 7 of the Charter of Rights and Freedoms.

The following are some of the rights that should be respected in all cases: the right to receive a notice of hearing, the right to be represented by council, the right to be present during the whole hearing unless there is a good reason for being excluded, the right to give evidence, and the right to examine or cross-examine witnesses.

These are among the primary procedural rules set out in the bill. Other rules protect the privacy of the mentally disordered. They require the board to keep records of the proceedings and to give reasons for its decisions. There are miscellaneous rules dealing with specific problems that may arise. It should be made clear, however, that it is not intended by these amendments to convert the review boards into courts. The first in the list of procedural rules set out in the bill is that subject to those rules hearings may be conducted in as informal a manner as is appropriate under the circumstances.

The bill also provided that any procedural irregularity in relation to a hearing does not affect the validity of the proceedings unless the accused suffers substantive prejudice. While some boards may fear that the procedure spelled out in the bill will cause the proceedings for them to become longer and more complex, it is reassuring to learn from the Hon. Mr. Justice Thomas Callon, chairman of the Lieutenant-Governor's Board of Review,

that his board has been following these rules without any difficulty for the last three years.

In addition to setting out a core of provisions relating to procedure before the review boards, the bill sets out the dispositions the boards may make and the powers they may exercise in carrying out their functions. These provisions are necessary because the boards will have in the future the decision-making power which to date has been exercised by the lieutenant-governor.

Among the remaining provisions regarding the review boards, there are two I would like to mention particularly, for each of them deals with a problem that exists in the present legislation. The first provision grants a right of appeal from a board's decision to the court of appeal of the province or territory in question. At present there is no right of appeal either from the recommendations of the review board or from the decision of the lieutenant-governor, although some relief may be obtained from a decision of the latter in certain cases by means of a prerogative writ. It is universally agreed that a right of appeal ought to exist in such cases and this bill therefore addressed a long-standing deficiency in the law.

The other provision addresses the issue of which review board will have jurisdiction to review the case of a person who has been transferred from one province to another. At present there does not appear to be agreement on the subject. The bill resolves the question by stating that the board of the receiving province will have jurisdiction over the person subject to any special agreements that may have been entered into by the attorneys-general of the respecting provinces.

In summary, the bill modernizes the present law and resolves a number of problems in relation to the care and administration of those who are either unfit to stand trial or not criminally responsible on account of mental disorder. It does so in a manner that respects the rights of the mentally disordered while protecting the security interests of the public.

Finally, it appears to satisfy the concerns expressed by the Supreme Court in the case of Swain *v.* The Queen. There is an additional provision that was suggested by the hon. member for Moncton and agreed to during the legislative committee process that the provisions of this bill should be reviewed within five years.

That is something I think all hon. members should welcome. This is a complicated provision we are dealing with and I think it is appropriate that Parliament should revisit the subject after five years.

I believe five years would be a long enough period to give reasonable time for this bill to be implemented and reasonable time for us to be able to assess either its positive aspects or its weaknesses, if any.

I am pleased that too is a part of the bill. As I say, I am pleased that this bill has received the co-operation of the House as a whole and that it received the co-operation of hon. members when it was referred to a legislative committee.

As a result of those deliberations and all the work that has gone into preparing this, I encourage every member of the House to support this legislation which I think is both progressive and humanitarian.

Mr. George S. Rideout (Moncton): Madam Speaker, I want to give my colleague opposite our assurance that we will be supporting this legislation on this side.

While there are some hesitations and concerns which were brought forward during the committee study, we feel that given the present circumstances we will support the bill. I am sure some people are a little confused with the Swain decision and what it means. In effect, the Supreme Court of Canada did put us to a very strict timeframe and we have had to deal with that.

In fact, the government was forced to ask for an extension of time because our time ran out on November 2, I believe the date was. It has now been extended into February. The legislation itself is probably okay. That is the best way to put it at this particular stage because nobody is really sure.

As we listened to the testimony, it became more and more confusing. What was interesting, I suppose, was trying to balance the legal arguments over what constitutes mental disorder or insanity as we have always heard it talked about before and what were the medical definitions and trying to see whether we could deal with those two different issues.

Suffice it to say, sometimes during the committee hearings everyone was totally confused as to what it meant and how it would be administered.

I think in actuality the legislation is not bad. It does deal with the problems that were talked about in the Swain decision and deals with lieutenant-governor warrants and their unconstitutionality.

I was pleased to put forward the amendment that would see us come back and take another look precisely for what I have just said, the problems that the committee faced, trying to grapple with the different issues. This will at least allow us to go back and correct the deficiencies once they become apparent.

I am sure there will be some, but over all the bill seems to do what it is intended to do and that is a proper thing. Much of the bill, as well, is going to be implemented relatively slowly and the parliamentary secretary has referred to all the difficulties and all the things that the bill is going to do.

We are going to see what will happen over a period of time. Hospitals are going to start with pilot projects and some aspects of the legislation will not be in effect for two to three years. That was why the amendment was crafted, so that a five-year period would see the bill come up for review.

• (1200)

There is one problem. I consulted with most of the ministers of justice and ministers of health of the provinces to see what was going on from their vantage point. There are some concerns that the effect of this legislation will cause problems for the provinces. We should be mindful of that.

In essence what is being said—and that is the way our Constitution works—is that dealing with the criminal law we turn to the federal jurisdictions but when we are dealing with health and care of people through the health care system they become the responsibility of the provinces. We are going to see a burden placed on provinces. We were concerned that there might be some unevenness in the delivery of that health care. Those issues were also of concern to us.

I just want to quote from a couple of letters that I received because they contain this common theme of uncertainty as far as the provinces are concerned. From my own home province of New Brunswick, the minister of health, the hon. Russell King, wrote back to me and said: "With regard to the department of health and community services concerns, the service delivery system required to ensure the Supreme Court decision is upheld will need to be flexible in terms of providing services in both the community and in a hospital setting. The additional need for the province of New Brunswick to prove dangerousness will require mental health specialists familiar with the mental health and criminal justice system, a specialty not previously required in this province. The community component of this service will involve screening, assessment and treatment. Further, the hospital component of this service will need to be upgraded".

That gives a clear indication of some of the concerns that the minister of health for the province of New Brunswick has observed in reviewing the legislation. He does not say: do not do it. He just says recognize that this is going to create some problems for New Brunswick.

The same theme occurred in a letter that I received from the minister of justice and premier of the province of Prince Edward Island, Joseph Ghiz. He indicated to me that his province supports the changes but recognizes the shift to the provinces particularly in the area of treatment. He is concerned and says: "The amendments make no attempt to build in treatment as part of Parliament's response to the mentally disordered offender but leaves that issue entirely in provincial hands at a time when there is a great deal of controversy across Canada on the civil rights aspect of involuntary treatment. We would rather have seen specific treatment provisions in these amendments as they represent a very narrow and justifiable public safety infringement on civil rights in a manner ancillary to and flowing from the public interest in safety and prevention of crime".

From these quotes and from other letters which I have received from across the country, the provinces do have a concern. They realize that it is their obligation to provide for the mentally ill, but we are dealing with the criminal justice system as well as the mentally ill. That is going to create new responsibilities and new stresses and strains on the hospital situation, on community based services and all of those types of things that have an impact on provincial budgets.

While the federal government is a beneficiary in a way because it has now dealt with this relatively easily from its vantage point, there will be an onus and a responsibil-

ity passed on to the provinces, and the provinces are concerned.

That points to the benefit of the amendment which we proposed on this side of the House because we will be able to look back after five years and determine whether the provinces have been successful in changing and adapting to the effects of this legislation.

In a general sense we are supportive of the legislation. It was absolutely necessary because the Supreme Court said we had to do it. We had to do something and this bill seems to do what we want. In that sense we will support the legislation and look forward to the review which will occur in five years because, if we are wrong, we will at least have an opportunity to remedy it and to remedy it very quickly.

Mr. Ian Waddell (Port Moody—Coquitlam): Madam Speaker, I rise on behalf of the New Democratic Party as justice critic to speak on this bill. I just want to add a few remarks to some of the comments that have been made by my hon. friends who have already spoken, the parliamentary secretary and the member for Moncton.

To take up one of the member's themes and to re-emphasize it a bit more, the public policy process in this bill has not exactly been a rousing success. The government left it up to the Supreme Court of Canada to force a change in the present insanity provisions of the Criminal Code. That is what we are talking about in Bill C-30, the issue of criminal insanity.

The government has had the bill since 1986. It has had a Law Reform Commission report since 1976. That means it has been sitting on its hands and was forced by the Supreme Court of Canada finally to act. That is not a very good way of doing legislation. This minister has been very slow with her legislation. It is only in the past little while after a lot of public pressure and pressure from the opposition, I might add, that some action has finally been produced. We had all talk and no action. Now we have some action and we are pleased about it.

Some of the principles that have to be emphasized I noticed the parliamentary secretary opened his speech with and I basically agree with him. We have to take into account public safety, the safety of citizens from people who are insane versus human rights. These people do have human rights under the Charter of Rights and Freedoms, rights as Canadian citizens and as individual human beings.

Part of the reason for the Swain case—and I believe that is the decision of the Supreme Court of Canada that brought on this amended bill if I recollect it right—was that someone was given a pretty well indeterminate sentence, locked up for a long time for an assault charge. That does not ring right with people. That seems wrong. I think that is why there was some basic feeling that this system really was wrong in terms of human rights.

We have to balance human rights with the public safety. I was able to see this concretely when I met a few months ago in British Columbia with some people from the human rights committee of the B.C. Mental Health Association, led by a woman called Judy Shipper who came to Ottawa to testify before our parliamentary committee. I am very grateful for the work those people in my home province of British Columbia have put in on this bill and for their comments. I met with them, with some patients and with some people who were the main forensic unit is in my riding in British Columbia. It was very interesting. I was sitting across the table from two people who had committed murder when they were insane. They appeared to me from what I could see that they had made substantial progress on the road back to sanity.

These are very difficult cases. What do we do with these people? We have the notion of retribution from the public, we have the public interest, and on the other hand we have the human rights of these people. They should not be sitting locked up when they are basically cured. It is a very difficult issue. The bill attempts to deal with this.

Let me deal with some of the provisions of the bill. As I said, the Criminal Code provisions for the mentally disordered offender contain a lot of inconsistencies and omissions and often lack clarity. Much of the law dates back to 1892 or earlier. The law of insanity in Canada is really a 19th century law. The language used to describe mental disorder is archaic and in some cases the authority given to the courts and to the lieutenant- governor is inappropriate.

On May 2, 1991 the Supreme Court of Canada in the Swain case decided that one of the key provisions of the Criminal Code was contrary to the Canadian Charter of Rights and Freedoms and therefore invalid. The court gave Parliament six months to clean up the law. This was extended and Parliament ultimately produced Bill C-30.

• (1210)

Back in 1976 the Law Reform Commission of Canada in its fifth report called *Mental Disorder and the Criminal Process* stated that major changes were required in the way the criminal law dealt with persons suffering from mental disorder.

The Department of Justice carried out additional studies to gather data on exactly how the existing system was operating. It also conducted extensive consultations with the federal and provincial government and produced a draft bill in 1986. We are just getting to that bill now.

This is a big bill. The thrust of these amendments is to modernize and streamline the law in response to demands for change by legal and medical practitioners and interested organizations in accordance with the government's 1990 undertaking to review federal legislation affecting the handicapped.

Amendments are based on the recognition of the complementary roles of the federal and provincial governments. We have two governments involved here. We set the law but basically the provincial governments look after health and the institutions and make a lot of the decisions: a typical Canadian way of doing things. Therefore we have to deal with the provincial governments as well.

I might add that I believe my friend, the member for Moncton, has introduced an amendment that there be a review of this bill. I think that is a good idea. We have been busy with gun law, young offenders, extradition and you name it in the justice area. I have a feeling that we should have given this bill a little bit more scrutiny. I think we have protected ourselves by this review. Where there is good will to make this work it will work. I think we are going to have to come back to the bill.

Let me go into a few more details of the bill. As I understand it, one of the first provisions is the idea of remand for assessment. I might say that I started my working career as a Crown attorney in Vancouver and was defence counsel there. I dealt on a daily basis with some of these remand cases, as crown counsels do.

A court may order that a person be sent for an assessment of his or her mental state. This is when a person is picked up for a criminal offence and is referred to as a remand. A person can also be committed under the provincial Mental Health Act when a person is mentally ill. We are talking now about someone who is suspected of being mentally ill but is picked up in the system through a criminal offence. That criminal offence can range from shoplifting to assault to murder.

Currently the Criminal Code permits a remand only on the basis of medical evidence and only for the purpose of examination to determine fitness to stand trial. When the person is brought into court it has to be determined if he or she is fit to stand trial. The person is remanded, the case is adjourned, and the person is in custody.

The amendments will let the court decide the kind of evidence necessary to trigger a remand. The remand is expanded to include an assessment to determine the individual's mental status at the time of the offence, as well as to assist in making appropriate disposition or even a hospital order. This is good. This gives a lot more flexibility to the judge.

The traditional remand for fitness is maintained. Where appropriate, the court may order treatment with safeguards for the sole reason of making the accused fit to stand trial. It has to be determined right away if the accused person is fit to stand trail. This is to enable the person to have a trial as quickly as possible while witnesses are still available, before memories fade. We do not just want to lock the person away and not have the trial.

It is sort of like Alice in Wonderland. The queen said to Alice: "Off with her head and then we will have the trial". This time we are going to have a little fairer procedure. We will not take the head off before we have the trial and we will have a speedier trial.

There is provision for a five–day assessment. Normally when a a person came into court and we did not know whether the person was fit to stand trial, the person was remanded for 30 days automatically. That is a big deprivation of liberty. If it is a shoplifting offence the penalty would normally be maybe a suspended sentence or probation.

Under this bill, as I understand it, in order to save time and money and minimize interference with the liberty of the person, subject to the assessment the amendments stipulate that a remand for a fitness evaluation will be no

more than five days, excluding any travel time, unless the accused and the prosecutor agree to a longer period. That is definitely an improvement in the law.

A new area of the law deals with protected disclosures as it relates to evidence of statements made by the accused. Once we remand the accused for psychiatric assessment, the assessment is done by a psychiatrist or a psychologist. During that court remand period when the assessment is being done, there is going to be protection in the law so that what the accused says to the psychiatrist and the psychologist cannot be used as evidence in court without the consent of the accused. There are some exemptions to this rule. I will not go through the exemptions, but that is putting it simply. And that makes sense, does it not? We want the person to be able to unburden himself to the psychologist or psychiatrist to see whether that person is really fit to stand trial. That is an improvement.

The other area that the bill deals with is the verdict of insanity. Section 16 of the Criminal Code sets out the defence of insanity, and that is amended to modernize its terminology. I said that this insanity notion in our law goes back to the 19th century, to the 1892 Criminal Code, as a matter of fact. Anyway, it is amended to modernize its terminology to make it more consistent with current medical use and to remove a subsection that was found by the court to be unnecessary. The amendments do not attempt to alter the judicial interpretation of the insanity test itself.

We have sort of moved to modernize it, if I can put it that way, but not completely. As I understand it, in the legislative committee that studied this bill members heard from psychiatrists and psychologists. They asked the committee to modernize the law, whereas criminal lawyers do not quite agree on the same terms as the psychologists and psychiatrists. I point out to this House that we still have to approach this. We may still have to come back after a few years and actually deal with modernizing the modern law of insanity. But that is a big project.

Consultation press reports over the past few years show that the general public finds it difficult to understand the present verdict of not guilty on account of insanity when it is known that the accused committed the act. They say that if he committed the act, how can he not be guilty? In addition, a number of psychiatrists suggest that the verdict of not guilty permits the accused to continue deluding himself or herself that he or she has done nothing wrong. They say this may interfere with the possibility of treatment, if the person does not think he or she has actually done anything wrong.

That is what the psychiatrists say. I received a letter from one of Canada's foremost criminal lawyers, my friend Clayton Ruby from Toronto. He wrote to me about these proposed insanity amendments, and I will just quote one of the paragraphs from his letter. He says: "I do not understand why we fled from the idea that insanity does not produce a true acquittal. I like the idea that it does. This document"—that is the bill—"abandons that idea and creates some new form of non-criminal responsibility. Indeed I do not even like abandoning the verdict of not guilty by reason of insanity. I think people understand it and I think it is a true acquittal". Well spoken, like a true defence lawyer.

We see the difference between the medical group and the defence lawyers. Parliament has to struggle to find an adequate definition. I am just telling the House that I do not think we have quite found it, but we are moving that way.

Some American states have moved to the verdict of guilty but insane. This runs counter to the basic principle of Canadian criminal law that to be convicted of a crime one has to do the act, which is called the *actus reus* in criminal law, and you have to have the mental state, which is called the *mens rea* in criminal law. You not only need the wrongful act; you need the guilty mind. If you are insane, how can you have a guilty mind? Therefore you are not guilty, if I can put it very simply. That is the Canadian law in two sentences with respect to insanity.

• (1220)

This bill therefore proposes a verdict here which declares that the accused committed the act or omission but is not criminally responsible on account of mental disorder. To me that sounds reasonable, but I do point out that criminal lawyers that know more about the law than I do, Clayton Ruby for example, say this is too much of a hybrid. We are going to need another look at this as we go on.

With respect to the disposition, once a finding of insanity or unfitness is made, the individual must be ordered by the court into strict custody until the pleasure of the lieutenant-governor is known. What a quaint phrase. The lieutenant-governor is the cabinet basically or the lieutenant-governor of the province acting on the provincial cabinet. You can be locked up and the key can be thrown away until the cabinet, politicians, let you out.

You may get someone who has killed a couple of people in his family because he is mentally insane or even someone who has done something not so serious. The lieutenant-governor is going to hesitate to sign that order and you are going to be locked up for a long time. Of course that is the problem.

Such persons are then held, as I said, in the psychiatric facility under the jurisdiction of the provincial lieutenant-governor. About 1,100 Canadians are now being held in custody in this fashion. It is important to recognize that none of them has been convicted of a crime. Indeed many of them have not even had the benefit of a trial to determine whether in fact they committed a crime. In many respects their situation is worse than if they had been convicted of the offence charged. Indeterminate custody under a warrant of the lieutenant-governor is at the lieutenant-governor's absolute discretion.

The Criminal Code provides for the creation of a board of review in each province but, as the parliamentary secretary said, for a while in the territories and British Columbia there was not even that board of review. The lieutenant-governor is not obliged to set up a board of this kind or to follow its advice. Board procedures are not set out and neither the decisions of the board nor those of the lieutenant-governor are subject to appeal.

We can see why the Supreme Court of Canada said that there were some very questionable procedures under this law from the point of view of the charter of rights.

Under this bill review boards become mandatory and will assume the decision-making role currently filled by the provincial lieutenant-governors with regard to persons found insane or unfit to stand trial. That is the most important part of the bill and the part I think all of us in this House support.

To assure that persons who are found unfit to stand trial and not criminally responsible because of mental disorder are dealt with expeditiously, the bill provides that the court can make a disposition if it is satisfied that it can do so readily and that a disposition should be made without delay. If the court does not make a disposition, the review board shall make one within 45 days, within a maximum of 90 days, if the court is satisfied that exceptional circumstances exist. The review board must review a disposition made by the court within 90 days of it being made.

That is what the bill sets out. It is technical but that is what the bill as I understand it sets out. We are going to see how this works. I know we have the pledge of the government that it will watch to see how this is going and review the matter if it is not working.

A guiding principle with regard to all decisions and dispositions under the proposed legislation is that the court or review board shall use the least intrusive or restrictive option consistent with the protection of society. For example, the court or review board might allow someone who committed a theft who is not dangerous and willing to submit to psychiatric treatment on a voluntary basis as an out patient to stay at home rather than occupy a costly hospital bed. Such a condition would be subject to supervision and so on.

I just want to make this point. This tendency to treat people with mental illness outside institutions is basically I think a good idea.

We have to accompany that by resources. We can enact all the laws we want here but if we do not provide resources and the provinces do not provide resources and the government does not provide resources, we cannot rely on charity. We need real resources to deal with these people. I think that is the mistake that has been and is being made.

There have to be professionals who can come to visit these people. There have to be good facilities and treatment centres and so on, and I think that is where we keep falling down. If we fall down, we are going to have a major problem in Canada like in other countries where we have a lot of people basically on the streets, homeless, with mental illness problems. We just do not want to go that route. I warn the government about that because we are on our way down that road.

I thank the House for its permission to conclude my remarks even though my time has expired. I just wanted to add that there is a provision for capping. There would be outer limits as to how long you can hold a mentally disordered accused. I think that is good. I think it is about time we had that, and I think that was what was said in the Swain decision.

As I understand it some provinces will have to amend their mental health legislation to bring it into line with the new Criminal Code provisions. I think my friend from Moncton did a good job in writing to the provincial people to get them to respond to this and to get them to know what is going on.

That means the capping provision of this bill will be delayed for some time. I know that is going to happen and I hope that will come in sooner rather than later.

When we review this again we should have a look at the protection of society with respect to dangerous offenders, which is covered by this matter. The dangerous offender provisions will be amended here in the bill consistent with the Charter of Rights and Freedoms. There will also be provisions for hospital orders, dual offender status and amendments to the Young Offenders Act.

Let me conclude by summarizing my thoughts, and I will do it simply. We passed a very big and very complicated bill. It deals with a matter that is very complicated. I tried to make it fairly simple in the sense that we have new remand provisions, new capping provisions, provisions for a new board of review, and we brought it into the Charter of Rights and Freedoms so that people have their rights. I hope we have the right balance between the protection of society and the rights of the individual. That is the key to good criminal law and good procedure.

We have to work with the provinces and we need to have some resources to deal with the people. We have to continue to consult people in the field.

Having said all that, and I thank the House for giving me a little extra time, on behalf of my party we would agree to this bill going through today. I know when it passes here it will go to the Senate and I expect it will be the law of Canada very shortly.

Again I would like to express the view that we will have a review of this bill in a few years and the provinces will act quickly and efficiently in getting their boards and facilities in order.

[*Translation*]

Mr. Vien: Madam Speaker, on a point of order. I believe both sides of the House would be agreeable to calling it one o'clock.

Madam Deputy Speaker: If the hon. member does not mind, perhaps we should first put the question, vote and then decide what time it is.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

Madam 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.

• (1230)

[*Translation*]

Madam Deputy Speaker: It seems there is unanimous consent for calling it one o'clock.

Mr. Waddell: Madam Speaker, it is only 12.30, but if hon. members say it is one o'clock that is quite possible because this Parliament has extraordinary powers.

Madam Deputy Speaker: The Chair is the servant of the House.

It being one o'oclock, I do now leave the chair until two o'clock this afternoon.

The House took recess at 12.31 p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

PORNOGRAPHY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, we are losing the battle to the ugly multi-million dollar pornography empires. The government must address the increasing presence of pornography in our society. It is time for legislative action.

Pornography promotes the degradation and sexual subordination of women and children. It desensitizes its users to the pain of the women and children who are used to produce the pornography or who have to deal with the men who use it.

Pornography injures women and children. It injures them by its existence, its production and its use. Canadian women will not achieve equality until violent and degrading pornography no longer exists.

Appearing before the committee last year, the Minister of Justice said she was examining the pornography issue. I urge the government, in its fight to stop the violence and inequality with which women live, to introduce tough anti-pornography legislation now.

* * *

AGRICULTURE

Mrs. Louise Feltham (Wild Rose): Mr. Speaker, recently Preston Manning stated: "Farmers must become accustomed to living with less and farmers must reduce their dependency on government subsidies".

This irresponsible statement shows that Preston Manning evidently lacks knowledge and understanding of the farming community. Does he know how much it costs to produce a bushel of wheat and what it sells for on the world market? Does he know that 80 per cent of what we produce we must sell on the world market?

Since 1985 our government has assisted the agricultural industry by providing $12.5 billion. We have brought in the GRIP and NISA programs. We continue to strive for the clarification and strengthening of article XI of the GATT negotiations. We have always and will always continue to support our farmers.

To reduce the national debt is a laudable goal, one to which this government is committed. But we will not do it to the detriment of Canadian farmers.

* * *

CANADA MORTGAGE AND HOUSING CORPORATION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, the troubled British Columbia northeast coal project is in the news again with reports that the federal government, through CMHC, has ordered mortgage companies to vote against a restructuring of Quintette Coal.

CMHC has insured over 700 Quintette houses worth about $50 million in the community of Tumbler Ridge in northeastern British Columbia.

Millions of tax dollars have been invested in this project and it is important that the federal government state clearly its purpose in ordering this vote.

I am encouraged by the government's decision to set up an interdepartmental committee to monitor events related to the project where federal departments are involved.

It is my hope that with the commitment by the Minister of Transport and the minister of energy the government is working to improve the lines of communication with the B.C. government and that this will help the new government in British Columbia to work to see that public investment is protected and that workers in Tumbler Ridge are considered in any decision about the future of the mine.

* * *

[*Translation*]

EXPORTATION OF GOODS AND SERVICES

Mr. David Berger (Saint-Henri—Westmount): Mr. Speaker, the government keeps saying how important it is for Canadians to export our goods and services. However, it has cut funding that was supposed to help Canadian companies export their products.

Last week in Montreal I met the president of an international marketing firm. She had urged other firms to take part in a trade fair in Dubaï next January. Ten companies had accepted the invitation, and the govern-

ment was to pay part of their expenses. Today there is no more funding, and the companies will probably be unable to go. She asked me to draw the attention of hon. members to this discrepancy between what the government says and what it does. The government insists we should trade internationally, but at the same it cuts export development funding. Last month Canada registered its first negative trade balance in 15 years, and the policies of this government will certainly do nothing to turn the situation around.

* * *

[*English*]

SUPPLY MANAGEMENT PROGRAMS

Mr. Willie Littlechild (Wetaskiwin): Mr. Speaker, the outcome of the current Uruguay round of multilateral trade negotiations is of critical importance to Canada's egg, dairy and poultry producers.

Among agricultural producers in my riding and throughout Alberta there is widespread and strong support for the strengthening and clarification of article XI.

This section of GATT, as you know, allows for the establishment of import quotas to support supply management programs which have ensured fair prices to producers based on their cost of production. It has done so without subsidies and without dumping on international markets.

There is significant concern that despite our official commitment to article XI, Canadian negotiators will be pressured into accepting tariffication. This would result in insufficient protection.

To quote one of my constituents: "Tariffication is in direct contradiction to the use of supply management as a permanent means of ensuring that producers achieve adequate domestic prices based on their cost of production".

I ask members of the House to encourage Canadian negotiators at GATT to continue to stand firm in their commitment to article XI and to ensure my concerned constituents that they will not become sacrificial lambs in the process.

WORLD COMMUNICATION NETWORK

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, the case of World Communication Network is an embarrassment for Enterprise Cape Breton and the Atlantic Canada Opportunities Agency.

The federal government has invested over $4.2 million into a company with questionable business practices. The government will not recover the $342,000 it gave WCN Investments, the parent company, to do a feasibility study.

However, Canadian taxpayers are hoping that the government is doing something to get back the $4.2 million in interest-free loans it granted this company.

More than anyone else, I want to see economic development in the region of Cape Breton. However, one must question the government's intentions when it backs a speculative technologies company with shares that soared from 35 cents to $57 and then bails out of its own commitments.

Someone made a lot of money. Too bad it was not the Canadian taxpayer or the few innocent Cape Breton residents who had a short career with World Communication Network Investments in Cape Breton.

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• (1410)

AGRICULTURE

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, this morning the Minister of Agriculture released details of the distribution of the additional $800 million in farm support and adjustment measures known as FSAM II.

Grain and oilseed producers will receive some $700 million of this in income assistance. On the prairies there will be recognition of eligible forage and summerfallow at a rate of 25 per cent of the payment on seeded acres.

I want to congratulate the minister for his understanding of the special conditions which prevail across the southern prairies, conditions which require summerfallow and which should encourage the seeding down to grass of marginal and erodible lands.

This assistance, combined with other payments and programs such as GRIP, NISA and FSAM–I, will put approximately $3.4 billion into the hands of grain and oilseed producers between now and June.

The average producer will receive total payments equivalent to about $40 per acre over and above his return from the marketplace in the next 12 months.

* * *

SIKH RELIGION

Mr. Mac Harb (Ottawa Centre): Mr. Speaker, I rise today on behalf of my colleagues and particularly my colleague from York West.

As you know, across the country today tens of thousands of Canadians will be celebrating the 522nd anniversary of the birth of Guru Nanak, founder of the Sikh religion.

As Canadians are aware, the Sikh community within Canada has been a proud and vibrant one during the past 100 years, contributing to our nation's growth and strength.

In many temples today, Canadian Sikhs will be marking this day with special reverence. Canadians should be aware that Sikhism teaches compassion, tolerance and understanding of one another and, more important, that the human race is one as no distinction is made between colour, race, class or sex.

I am confident that all Canadians will want to join me on this day of recognition of the principle of respect for one another which was thought by Guru Nanak and which guides the lives of millions of individuals worldwide. The community's continued contribution to our nation's development is one which they may be proud of.

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[*Translation*]

MINING INDUSTRY

Mr. Guy Saint–Julien (Abitibi): Mr. Speaker, the Quebec mining industry is looking forward to the signing of a new Canada–Quebec subsidiary agreement.

A new agreement is essential to help the mining industry carry out research on ore bearing deposits, mine wastes and exploration in the Abitibi–Témiscamingue and Chapais–Chibougamau areas.

[*English*]

THE MEDIA

Mr. Howard McCurdy (Windsor—St. Clair): Mr. Speaker, David Duke lost and lost badly to a discredited former governor who, except in Louisiana in 1991, would be without merit.

Edwards, the victor, sank into oblivion but David Duke is everywhere for he is now a presidential candidate. For whom? The media. Why? Precisely because David Duke, however marginal, is a racist and a Nazi and that, for the media, will sell newspapers, whatever the cost.

Enter the deputy Liberal leader. She knows the media. They will gather like flies around her if she can give them a Canadian Duke. Even if not quite, even though it may offend—

Mr. Speaker: I know the hon. member feels very strongly about this matter, but I think that is getting very close to a personal attack. I know the hon. member would not want to do that. I would ask him to complete his statement.

Mr. McCurdy: Meanwhile, except for *The Montreal Gazette*, racism in the Public Service, a real Canadian issue, is absolutely ignored though raised in this place.

Do you want to know what is wrong with politics? Ask the media. They can be found in a herd.

* * *

VIOLENCE AGAINST WOMEN

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, yesterday in Ottawa over 300 people gathered to remember a woman who was brutally murdered last week by a crossbow.

Patricia Allen's estranged husband has been charged with first degree murder in her death. Violence is inflicted against women most often by men they know. In 1989, 119 women were murdered by their spouses and that is 62 per cent.

As one woman commented yesterday: "We are safer on a dark street alone at night than we are in our homes".

Patricia's murder also shows us that violence against women cuts across the socio–economic spectrum. Violence touches or can touch every woman.

I am pleased to see recent initiatives by the justice minister which includes a commitment to incorporate a clear definition of consent in new sexual assault legislation, as well as her positive reaction to suggestions by my colleagues in this House that access to crossbows be restricted in law.

So far the government has taken small steps. I suggest now is the time to break into a dead run in the race to end violence against women.

* * *

CONSUMER LOANS

Mr. Garth Turner (Halton—Peel): Mr. Speaker, there is a growing personal financial emergency for many Canadian consumers.

There is now indication that many bankers are unwilling to extend credit so these consumers can consolidate their debts at lower rates. They are being forced to carry their debts on credit cards at rates of close to 20 per cent.

Others have been forced into the arms of a new breed of loan sharks, people who are demanding up-front fees for the service of making an application to a lender. Consumers are being ripped off by these sharks and there is apparently no legislation in place, federally or provincially, to stop the practice.

I am urging the government to consider forcing an end to this repugnant practice. I am equally urging that Canadian banks get off their assets and start working with consumers, providing them with the living capital they need.

* * *

AIRCRAFT INDUSTRY

Mr. Albert Cooper (Peace River): Mr. Speaker, punitive lawsuits in the United States against airplane manufacturers have effectively shut down small plane manufacturing in that country.

This has resulted in a tremendous shortage of small planes world-wide. Canada is uniquely positioned to become the world manufacturing centre for small aircraft.

The Eaton group's interest in bringing Piper to Canada is an indication of this.

I urge this government to seize the opportunity to create thousands of new jobs by immediately making the development of a small plane manufacturing industry in Canada a priority by eliminating regulatory and legal impediments as soon as possible.

* * *

ABORIGINAL HOUSING

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, for years aboriginal people in Canada have expressed concern about overcrowded living conditions and inadequate housing funding. On November 19, my colleague, the member for Prince Albert—Churchill River, asked the minister of Indian affairs to alleviate this overcrowding because without correction children in Indian communities will continue to fall ill.

The minister's response that existing housing programs were adequate ignores the many examples to the contrary. In my own constituency this week, a father at Canoe Lake, Saskatchewan has pulled his children out of school to protest overcrowding in his own home where his family of eight has been trying for five years to upgrade their living conditions. The Chief of the Canoe Lake Band says they have as many as 50 people on the waiting list for new housing.

Obviously, there are inadequacies in the aboriginal housing program that must be improved. I say to the minister today: look at the realities of reserve housing and increase the funds available to the bands to ensure that they have adequate resources to meet the housing needs of their members.

* * *

YUGOSLAVIA

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, the war in Croatia goes beyond the conceivable in this day and age. Croatians have been left alone to defend themselves against a Serbian dominated communist government and the fourth largest European army.

The Yugoslavian presidency has no control; the army is out of control.

In failing to recognize Croatia and Slovenia, the Canadian government is sending a clear message to Serbia and the Serb dominated Yugoslavian army that they may proceed with their slaughter without retaliation.

I call on the Secretary of State for External Affairs to recognize the legitimacy of the democratically elected countries of Croatia and Slovenia. Such a step would improve the desperate situation in these countries and help put an end to the brutal abuse of human rights.

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Ms. Sheila Copps (Hamilton East): Mr. Speaker, my question is for the Minister of Finance.

Yesterday the government claimed that the Chamber of Commerce was a supporter of its economic policies. Today that same Chamber of Commerce rejected outright the government's economic direction.

This morning the Minister of Finance said: "Everything is going along tickety-boo except for two things. First, employment is going to go higher and second, no one has any confidence in the economy".

Has it occurred to the minister that if unemployment is up and no one has confidence in the economy that his policies could be wrong? How can he justify higher unemployment when 1.5 million Canadians are already out of work?

• (1420)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we are encouraged today by the September retail figures, which have risen by .8 of 1 per cent, which is a step and going in the right direction. Housing starts for the month of October were 202,000. There were 108,000 full-time jobs created in September and October. Interest rates are continuing to come down. They have come down by a further nine basis points. The bank rate today is 7.69 per cent. Those are all positive indicators.

[*Translation*]

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Canadian Chamber of Commerce said today that the country is facing a national economic crisis, and it blames this government's monetary policies. Why does the minister refuse to change his policies, after predicting this morning, that unemployment, which already affects 1.5 million Canadians, will reach even higher levels? Why does he support a policy that maintains such high levels of unemployment and is breaking up Canadian families?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I do not know, Mr. Speaker, if the hon. member in her busy schedule had a chance to read the letter that was sent to me by the Chamber of Commerce. As I interpret the letter, the issue that it is raising is the burden of debt both at the federal and the provincial level, the external debt level, and high interest rates. What it is really saying is that the government has to curtail spending.

I appeared before the finance committee this morning. I had recommendations from the New Democratic Party for further expenditures of $3 billion to $4 billion to kick start the economy. That would certainly run contrary to this.

As well, I think it should be pointed out that the debt to GDP ratio is going to stabilize in Canada in 1991-92 and then start coming down. The deficit to GDP ratio has come down by 50 per cent from 8.7 per cent to 4.6 per cent. That is by far a better record than that which has occurred in the United States. We are using its figures. It has reduced its deficit to GDP from 6.2 per cent to 5 per cent; we have reduced ours from 6.7 per cent to 3.7 per cent. I think that is a good record.

Ms. Sheila Copps (Hamilton East): Mr. Speaker, the Minister of Finance himself this morning predicted an even higher unemployment rate. Has he been to the food banks? Has he listened to the unemployed who are losing hope across this country? Can he at least listen to the Canadian Chamber of Commerce which has today issued a massive condemnation of his monetary policies? Will he please permit the Canadian dollar to come down to give hope to some Canadian families?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I would be interested in knowing the hon. member's policy on the dollar. Does she want a fixed exchange rate? If she wants a fixed exchange rate, why does she not enunciate it in clear-cut terms?

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is also for the Minister of Finance. Earlier today the minister confessed, and I quote: "The unemployment rate in late 1991 and into 1992 will be somewhat higher than we anticipated". Somewhat higher than we anticipated? Mr. Speaker, he is talking about unemployment rates above 10 per cent. That means that tens of thousands more people will lose their jobs due to the economic nightmare created by this government's policies, that goes on and on and on. I ask the minister: Why will he not recognize that his policies are a failure and announce new programs to create more jobs right now?

Some hon. members: Hear, hear.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): I do not know what is bothering the hon. member. A frank exchange—

Some hon. members: Oh, oh.

Mr. Mazankowski: Mr. Speaker, I am being criticized for a frank exchange, laying down the facts as we see them. The fact of the matter is that unemployment will be higher than we had originally expected because of a number of factors. I outlined them this morning: the overhang of consumer debt, the poor position of the corporate balance sheets. The fact of the matter is that the U.S. recovery is not as robust as was originally expected. I repeat, the Chamber of Commerce can have its assessment of the economy. The Conference Board of Canada just this week predicted growth in 1992 of 4.3 per cent. The IMF, a respected international organization, expects that Canadian growth in 1992 will be 3.8 per cent. The OECD, another respected international organization, expects that growth in Canada will be 3.5 per cent. This represents the best growth rate of any industrialized country in the world.

If that is what is going to occur, and I have every confidence it will, there will be jobs created, there will be economic recovery, and there will be price stability. That is our goal.

Hon. Herb Gray (Windsor West): Mr. Speaker, the Minister of Finance says I am bothered. He should be bothered too about the tens of thousands of people in addition to the 1.5 million already out of work who are losing their jobs due to this government's policies. I am bothered and he should be bothered too about the 6,500 people in Windsor and the 250,000 people in Toronto whose unemployment insurance benefits are running out this month and next month. They are being forced on to the welfare lines by this minister.

The minister announced today that he has found money to help our farmers, and we are glad to see this. I ask the minister: Why will he not also announce today that he has found the money for new programs to create more jobs for those people who are now out of work, rather than put more people on to the welfare lines? Why can he not do that?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, of course I am concerned and bothered by the unemployed. But I am also concerned and bothered by the massive burden of debt that we inherited from the mismanagement of his government that is putting a very severe restraint upon us.

Mr. Nault: That spin doesn't work any more. We're not buying it.

Mr. Mazankowski: They say they don't buy it. I want to tell my hon. friend across the way this government has not added one red cent to the burden of Canada's national debt. Two hundred and six billion dollars was inherited, $197 billion worth of compound interest. That is what has driven up the debt. That is what is making it so difficult for us to extricate ourselves from the difficult economic situation that we face.

* * *

CORPORATE TAXATION

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Minister of Finance. Today the Minister of Finance told the Standing Committee on Finance that he will finally be taking some action on assistance to farmers, and we are pleased to see that.

What was quite interesting was that the minister said that some of the revenues from this would come from unpaid taxes by corporations, $2.6 billion in unpaid taxes by corporations. Week after week in this House my colleague from Nickel Belt has been pointing out to this government the number of corporations that pay no tax. Week after week I and my party have been pointing out the number of corporations that pay no tax. The response has always been from the former Minister of Finance that they have closed the loopholes; from the Minister of State for Finance that the corporate tax system is fair and simpler. But the minister today says that there is $2.6 billion in tax uncollected.

I ask the Minister of Finance: How can this system be so inefficient? How has he closed his eyes for so long to this unfair tax system and what is he going to do about it?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I am pleased that the hon. Leader of the New Democratic Party approves of and concurs with what we are doing.

Hon. Audrey McLaughlin (Yukon): We would like to see, Mr. Speaker, the government do much more. The Minister of Finance and his government could have done well to listen to the Auditor General in 1990 who warned this government that by reducing the ability to collect taxes and enforcement it was in fact reducing revenues, and today we see that is what has happened. This government better gets its act in order.

[*Translation*]

Medicare has been cut, health care has been cut, education has been cut, and many social programs have been cut by this government. After all these cuts and after this deplorable waste, the government has discovered that corporations are not doing their share and that there is money out there that could be recovered.

Will the minister recover all the money our corporations owe Canadians and reinstate programs for the people of Canada?

• (1430)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Minister of National Revenue will be outlining in some detail the initiatives that will be taken in this regard. I am pleased that I have the support of the hon. member in stepping up the collection procedure. We hope we will continue to have her support in that regard.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I must say to the Minister of Finance that it is not a question of having our support. It is a question of this government not listening. Now it is out consulting Canadians. Canadians want a say and we say what the minister has finally admitted today, that we have not had a fair tax system and it is about time this government recognized that.

The minister is very good at projecting what will happen. He is the future tense minister: what will happen? He admitted today that unemployment this winter will be higher than he said it would be, that the deficit will be higher than he said it would be, and that the minister who predicted an early recovery was wrong when he said that we have declining unemployment.

I want to ask the minister how Canadians can have faith in this minister's projections about the future when he will not recognize the problems of today and when all his projections have been wrong.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member does not have to take my word for it. She can phone up the International Monetary Fund, phone up the OECD, phone up the Conference Board of Canada, phone up other organizations that do objective analyses and objective assessments of this country.

It is all well and good for the hon. member to preach gloom and doom, but some positive signals did emerge today. Retail sales are up, not down. Since September and October, 108,000 full-time jobs have been created so that is a good signal. Interest rates are continuing to decline. Housing starts are up. It is not all positive but, comparing the extrication of this particular recovery as compared to 1981-82, we are doing fine.

There was a lot of conflicting data in the 1981-82 period. As a matter of fact, within a year there were two months of negative growth. So as you come out of a recession you will get this sort of volatility, Mr. Speaker.

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[*Translation*]

EXTERNAL AFFAIRS

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, my question is directed to the Deputy Prime Minister. Today, 19 Haitians are occupying by force part of the embassy in Port-au-Prince. Could the Deputy Prime Minister report to the House on developments in Haiti and indicate what steps have been taken to regain

control of the situation and guarantee the safety of Canadian personnel?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, on behalf of the Secretary of State for External Affairs, I would respond to that question.

As the hon. member is aware, the Prime Minister while in Paris recently invited President Aristide to come to Canada for further discussions on this issue. We want to ensure there is democratic government returned to Haiti.

With respect to the current situation of the 19 Haitians who are occupying the Canadian embassy, the latest information I have received is that they are in fact still there. Threats have been made to our Canadian personnel and obviously on that basis they will not be appropriate, persons to be considered for refugee status. Therefore we are encouraging them to leave the embassy. I can assure the hon. member that all our Canadian personnel are safe.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I thank the minister for the information. I hope she will clarify what appear to be quite confusing statements.

The Prime Minister, in Paris, said that these people occupying the embassy are not asking for political asylum. On the other hand, external affairs spokesmen here in Ottawa say they are in fact asking to become political refugees.

The Canadian people would like to know exactly what is taking place, what are the demands and how are we coping with them. Can the minister indicate the Canadian government's position with respect to accepting refugee demands from Haitians, or are we rejecting them outright as the American government now appears to be doing.

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, I want to advise the member that in the particular situation of the 19 who are occupying the Canadian embassy, based on the information we have at this point and the behaviour, the threats that were made at the Canadian embassy, they would not be considered for refugee status.

We of course are continuing generally in terms of accepting people who meet our criteria for refugee status, whether they are from Haiti or from other countries.

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AEROSPACE INDUSTRY

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is for the Minister of Finance. The government has known for some time about a proposed joint venture between McDonnell Douglas and the Government of Taiwan, a deal that would transfer 3,500 jobs from Canada to Taiwan.

What specific measures will the government announce today to keep these jobs in Canada?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, there is no agreement between McDonnell Douglas and the Government of Taiwan in terms of exactly what would happen if they joined forces. I think it is a bit premature to try to answer this hypothetical question.

Mr. Jim Peterson (Willowdale): It is not hypothetical when 3,500 more jobs in the aerospace industry are on the line, Mr. Speaker.

Again my question is for the Minister of Finance. Governments around the world, and now Taiwan, have recognized the importance of government investment in aerospace, yet our minister for industry and our Prime Minister recently went begging to the European community to get its permission so that Canada could give away de Havilland to the French and Italian governments.

Is this piecemeal, systematic dismantling of Canada's aerospace industry just one more plank in this government's so-called prosperity agenda?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the hon. member knows we have been involved in the discussions with respect to de Havilland right from the beginning. He also knows that the memorandum has just been signed between McDonnell Canada and the Government of Taiwan. He is speculating on an agreement that he knows nothing about. Neither do we.

AGRICULTURE

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Minister of Finance who announced today that $400 million of the farm aid package will come from unspent gulf war funds, and the other $400 million will come from next year's budget by way of requiring corporations to remit half of any income taxes that were in dispute.

Why did he not require those same large corporations to remit all of the $2.6 billion of disputed funds instead? This would have raised enough funds to more than meet the required farm aid package of $1.3 billion instead of simply cutting it back to $800 million?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, very simply because some of these accounts are in dispute and it will require legislation.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the Minister of Agriculture. The government decided to penalize farmers who have seeded forage crops on good class 1 to 4 farmland by paying those acres one-quarter of what was paid to those same lands seeded to grains and oilseeds.

Has the government already abandoned its brief policy of diversification, sustainability and market responsiveness? What is the reason for signalling farmers to plant grains and oilseeds instead of forage crops?

Hon. Bill McKnight (Minister of Agriculture): Mr. Speaker, the hon. member obviously did not understand what the announcement today involved. The announcement today involved the culmination of discussions with the third line of defence committee made up of industry, farmers and provincial representatives. They recommended that we pay on seeded acreage and pay 25 per cent on summerfallow and 25 per cent on forage.

The hon. member also forgets that one of the reasons I did not choose the option to just pay on seeded acres—that was another option I had from the third line of defence—was because this government in FSAM-1 put forward $50 million in the prairie region to promote forage production and $22 million in the rest of Canada to promote forage production, making a total of over $72 million in forage production.

Is the hon. member saying that those who summerfallow and those who seed are not eligible but only those who are in a soil zone or in an area where forage production can take place should receive assistance from this government?

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UNEMPLOYMENT INSURANCE

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, on Monday this government announced that it would raise the employment tax collected through UI premiums to 7.2 per cent, a higher rate than even the GST. This tax hike will mean fewer new jobs and smaller pay cheques for the Canadian worker.

I would ask the Minister of Finance to admit that by taxing jobs his government will put even more Canadians out of work.

• (1440)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, that question has been asked in the House before and it has been responded to by myself and by the Minister of Employment and Immigration.

There are three criteria that have to be followed: first, the financial integrity of the UI account; second, the impact that it will have upon the employees and the employers; and, third, the over-all impact it will have on the fiscal accounts of Canada. All of these things had to be taken into consideration.

There was a range between holding the premium at $2.80 which would have generated deficits of $4.6, $6.2 and $7.3 billion in later years or a modest increase to $3 or an increase to $3.20 which would have balanced the account much quicker.

We chose the tradeoff, recognizing that it was going to have an impact and recognizing that we needed to put the UI account on a sound financial footing.

Ms. Albina Guarnieri (Mississauga East): Mr. Speaker, the minister is always asking where he can raise funds. Perhaps he should have charged a commission on the jobs his government shipped to the United States.

What this government must find particularly attractive about raising its employment tax, for that is what it is, is the fact that it makes moderate wage earners pay more of the cost of the high unemployment caused by this minister and his colleagues.

I ask the minister if he finds it just to make ordinary wage earners pay so much of the social cost of the Tory economic decay.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, this is a difficult issue. I wish the hon. member would understand that it is not a matter of just simply postponing the burdens of today on to future generations.

There is a time when we have to start paying our way. We cannot postpone it. We believe it is time to bite the bullet and to make sure that we can preserve the financial integrity of this account. To fail to do that would increase the burden of servicing the UI account with a decreasing amount of benefit occurring to the unemployed. Surely the hon. member would not want that to happen.

* * *

INTEREST RATES

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my question is for the Minister of Finance.

The demand for the government to take action on credit card interest rates continues to grow. Just yesterday the Consumers Association of Canada said that if credit card interest rates did not drop substantially within the next 30 days it would support a legislative cap on interest rates.

My question to the minister is this: How many days have to pass, how many calls for action will it take and how many millions of dollars in excess interest charges will be sucked from consumers' wallets before he and his government do something about this very real problem?

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as the hon. member knows, the question of putting a cap on interest rates does not really solve the problem.

The difficulty this presents is that the tendency would be then for interest rates to cluster around the cap mark. The better answer, as the minister has said from time to time in this House, is for individuals to endeavour to pay their credit card bills on the due date.

Mr. Ron MacDonald (Dartmouth): Mr. Speaker, my supplementary question is for the Minister of Finance.

Last evening the Consumers Association also said that it believes that there is sufficient evidence of gouging and rate fixing on credit cards to warrant an investigation by the Competitions Bureau. This is a very, very serious allegation.

My question is this: Is the minister prepared to order a fast track investigation by the Competitions Bureau to ascertain whether or not the big banks have, indeed, been taking obscene windfall profits from the pockets of Canadian consumers? Yes or no, or are you just going to continue to allow it to go the way it has been?

Mr. Jim Edwards (Parliamentary Secretary to Minister of Consumer and Corporate Affairs and Minister of State (Agriculture): Mr. Speaker, as the hon. member knows because he is a student of these matters, the Competitions Bureau is an arm's length organization. It is an organization which I am sure he would want to operate without interference or direction from the Government of Canada. It has its duty imposed upon it by statutes. It knows its duty and I am sure it will carry out its duty.

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HIBERNIA

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, my question is for the Deputy Prime Minister and it concerns the 55 per cent to 60 per cent Canadian content target for the Hibernia project.

Canadian manufacturers are concerned that no Canadian preference will be given or can be given under the Hibernia guidelines.

I ask the minister if he will guarantee Canadian manufacturers that indeed the 55 per cent to 60 per cent Canadian content goal will be attained.

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, officials from both the Canada and Newfoundland Offshore Petroleum Board believe that these figures cer-

tainly can be met and will be doing everything possible in the future to make certain that it will be fulfilled.

Mr. Steve Butland (Sault Ste. Marie): Mr. Speaker, from all reports from Canadian manufacturers that is not true.

The Canadian steel industry, taking a specific, is in a crisis and in need of profitable domestic orders. It was anticipated that these orders would come from Hibernia. The member would know that last week Algoma lost a critical steel plate order to a Belgium supplier.

We know we can be competitive in this product. It has been suggested that Europeans are dumping plate into Canada.

Will the minister ensure that Canadian steel interests are safeguarded so that Canadian producers get their fair share of any further steel contracts for Hibernia?

Mr. John A. MacDougall (Parliamentary Secretary to Minister of Energy, Mines and Resources): Mr. Speaker, as the hon. member knows, Algoma can certainly lay the dumping charge if it believes it is in place.

The information that I have been given is that we will be doing everything in our power to ensure that 55 per cent to 60 per cent Canadian content will be there.

* * *

[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. Jean Lapierre (Shefford): Mr. Speaker, my question is directed to the Minister responsible for Constitutional Affairs. After the Wells–Chrétien show of mutual admiration in 1990, which disgusted all Quebecers, we were recently treated to a Chrétien–Clark meeting of minds on the subject of the federal referendum. What excuse does the minister have for being in league with the Leader of the Opposition in another attempt to put Quebec in its place and sabotage the implementation of Bill 150?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I will not discuss with my hon. friend the so–called complicity of a member of this House with Mr. Chrétien, in view of his own considerable experience in this area.

The proposal is one we made in the throne speech: to table in Parliament a bill that would allow the government, if necessary, to hold a national referendum. This is about our commitment to table referendum legislation.

Hon. Jean Lapierre (Shefford): Mr. Speaker, the Minister responsible for Constitutional Affairs knows perfectly well that yesterday in the National Assembly, the Quebec minister of justice, in fact the National Assembly, was unanimous in stating that the federal government had no business trying to hold a referendum or preventing Quebecers from choosing their own destiny.

I have this question for the Minister responsible for Constitutional Affairs: How can he justify this attempt to pass legislation that would steamroll Quebec's plans, especially Bill 150?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I welcome this question, because I think it is very important for Quebecers to know all the facts so they will have a good understanding of the federal government's position. Our position is that we are going to table a bill that will allow us to hold a referendum. I have said many times that it was not our intention to table a bill or hold a referendum that would allow one part of Canada to force the other part to act in a certain way. That is quite clear.

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CANADA LABOUR CODE

Mr. Guy Saint–Julien (Abitibi): Mr. Speaker, my question is directed to the Minister of Labour. For many months large numbers of Canadian women have been waiting for the federal government's decision to include preventive withdrawal of pregnant workers in the Canada Labour Code. Could the minister report on the latest developments at the federal level regarding preventive withdrawal of pregnant women?

• (1450)

Hon. Marcel Danis (Minister of Labour): Mr. Speaker, as the member is aware, I had started consultations on enhancing the kind of protection available to nursing and pregnant women. The consultation process is now complete, and I am ready to submit a recommendation to my cabinet colleagues.

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[*English*]

THE ENVIRONMENT

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of the Environment.

Last night's fire at a provincial chemical storage site in Grand Coulee, Saskatchewan once again demonstrated the vulnerability of Canadian communities to the hidden threat of environmental accidents.

Under the Environmental Protection Act, the minister has the authority to establish a national code of practice that would ensure safe storage of all such facilities across the land.

Why has the minister not done so? More important, why has the government not guaranteed the public's right to know of the toxic hazard that exists within neighbourhoods?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, we have been made aware of this incident in Saskatchewan, as is the case for most people.

We have offered and Environment Canada is always ready to work in co-operation with the provincial authorities when these type of incidents occur.

I think the hon. member would recognize that when these incidents do happen it is the provincial government's primary responsibility to deal with them. Storage is their primary responsibility. In fact, I understand that the new Minister of the Environment from the Government of Saskatchewan has ordered an inquiry into this fire to determine why these substances were stored where they were.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, for the same minister.

There has been a number of these incidents across the country, to the point that it is now the responsibility of the federal Minister of the Environment.

Section 35 of the act, if indeed the minister has read the Environmental Protection Act, gives this minister the authority to make an interim order in respect of any toxic substance and to put in place whatever regulations are required.

Will the minister agree today to make such an order that is within his authority to ensure safe storage at all hazardous chemical sites in the country, and will he also commit to guarantee the public's right to know?

It is not fair to ask the Canadian public to live under the constant threat of a hidden toxic disaster.

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I think I should caution the hon. member that we should resist unduly dramatizing situations that are very serious. I do not take away for a second the fact that these are very serious situations that we are dealing with.

In the area of the environment, the federal government's intention is not to be paternalistic. I know that there is some difference in the hon. member's approach to the federal government's role on the economy, for example. He seems to object strenuously to the federal government having any role that will go beyond what the constitutional framework is. In the area of the environment he seems to have a very different approach. He cannot have it both ways.

We work in co-operation with the provinces and in very close co-operation with the Canadian Council of Ministers. When there were problems, for example, with PCBs we worked with the provinces to identify sites. On those that came under federal responsibility, we took action. On those that came under provincial responsibility, the provinces took action.

We intend to work in the same co-operative spirit in the years to come.

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PUBLIC WORKS

Mrs. Diane Marleau (Sudbury): Mr. Speaker, my question is for the Minister of Public Works and con-

cerns the termination of a contract for the construction of the Veterans Affairs building in Kirkland Lake.

Can the minister explain to this House why enormous moneys have been spent on one piece of property with construction well under way since the beginning of August and why now for some reason everything is being shifted to a completely new site with completely new plans all, in the same city?

What sense does this make?

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, as the hon. member knows, the Minister of Public Works is away at the present time.

I would be happy to take the question as notice, look into it and get the details for her as soon as possible.

Mrs. Diane Marleau (Sudbury): Mr. Speaker, I will also ask the minister concerned if he can estimate how much money has already been spent by his department on this project.

How many northern Ontario companies stand to lose by abandoning the original site? Is he prepared to meet with all the parties concerned to minimize the damage and continue with the work in progress as quickly as possible?

Hon. John McDermid (Minister of State (Finance and Privatization)): As I said in my answer to the first question, I will take all the representations that the hon. member has made and present them to the minister and we will get an answer back to her as quickly as possible.

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THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, the Minister of Finance has taken a lot bashing here this afternoon in regard to his frank testimony before the committee this morning where he refused to sugarcoat the facts.

I want to ask him a question relating to the letter from the Chamber of Commerce. That letter says it does not matter what the minister does about reducing the deficit if provinces and municipalities sharply increase their deficits or taxes.

I want to ask the Minister of Finance if he agrees with that sentiment. The Chamber states: "Can the gains the minister is making be wiped out by the provinces and municipalities through their own deficits and taxes?"

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think the point is well taken. I think it speaks very much to the economic union proposals that we have been advancing in the constitutional debate which suggest that we must co-ordinate our fiscal policies between the two levels of government in a more effective fashion. I think that is a clear undertaking of provinces as well. I think the trick is to try to find a mechanism that will allow us to do that.

I say that because the combined expenditure of the provinces' local and hospital sector is now $1.36 for every $1 the federal government spends. In terms of taxation they tax $1.05 for every $1 worth of taxation that we extract. We all recognize that there is but one taxpayer.

The criticisms that have been levelled about the containment of the transfers has been done only on the basis to discipline the provinces and their spending habits on the same basis that we have disciplined ourselves in terms of our federal program expenditures.

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CIGARETTES

Mr. Jim Karpoff (Surrey North): Mr. Speaker, I have a question for the Minister of Finance concerning the rapidly growing cigarette smuggling problem which is promoting organized crime, costing more than $350 million yearly in lost tax revenue and undermining a major anti-smoking health program. The minister knows that cigarette exports from Canada have doubled this year and are being smuggled back into Canada, mostly from the United States.

Will the government introduce a full domestic price export tax on Canadian cigarettes?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, the government is well aware of the cigarette smuggling problem. The Minister of National Revenue has been working with respective police authorities in an effort to develop better strategies to counter this growing problem.

Mr. Jim Karpoff (Surrey North): Mr. Speaker, four billion cigarettes were exported from Canada in the first nine months of this year; more than double the number

from last year. This represents a black market potential worth as much as $2.8 billion.

Will the minister explain why he cannot implement an export tax immediately? It has already been used for such diverse products as softwood lumber, oil and natural gas.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, I can tell the hon. member that the Minister of National Revenue is working with using other than export taxes to police this activity.

I must warn the hon. member that the increase in exports in cigarette production has not been necessarily to the United States, but our exports overseas of cigarette production in this country have grown rather dramatically. That has helped the tobacco farmers of this country that party is always talking about helping all the time.

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HEALING LODGE

Mr. Larry Schneider (Regina—Wascana): Mr. Speaker, my question is directed to the Solicitor General. I understand his department is the process of developing location criteria for the healing lodge for aboriginal women under federal sentence. Since I represent a supportive aboriginal community, I have great interest in this facility.

Therefore, I would like to ask the Solicitor General to enlighten me on the status of the location selection process.

• (1500)

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, I can confirm that several communities have indicated an interest in the healing lodge, as well as communities interested in the prisons for women.

I announced last July that the healing lodge would be located in one of the prairie provinces where the majority of the federally sentenced native women come from. The criterion has been approved by the task force committee and it should be released to the interested communities in the next two weeks.

POVERTY

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of Finance.

The report by the National Council of Welfare points out that a single mother living in Manitoba who raises one child receives $9,000 below the poverty level. That same single mother raising that child often receives inadequate child care support payments from her spouse, too often paid late or not paid at all.

What is the government prepared to do to help that single mother with her child and all of the other mothers in this country receive what is justifiably theirs?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the federal government is providing some $7.5 billion toward income and employment support to families, and particularly to children.

There have been substantial increases to the child tax credits since 1985 and changes to the recent Canada Assistance Plan. The government has doubled the child care expense deduction. We have increased the child tax credit. A number of initiatives has been taken.

The hon. member is suggesting that more should be done. Obviously, if we can find the ways and means to do more, this government has always been prepared to do that. We do believe that children in our society really represent the future of this country. We are doing our darndest to relieve them of the burden of debt that was left by his party when it was in office.

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HUMAN RIGHTS

Mr. John Brewin (Victoria): Mr. Speaker, my question is for the Acting Prime Minister.

Yesterday the House heard that the government was still thinking about what its policy was going to be in respect of development assistance to countries that violate human rights.

Today before the subcommittee on arms trade we heard evidence from Ernie Regehr of Project Ploughshares that in the past three years 43 per cent of the Third World countries to which Canada is permitted to export military commodities are countries that violate

human rights and are on a list of human rights violators. They include Kenya, Indonesia and Sri Lanka.

The government purports to have a policy prohibiting exports to human rights violators. What happened to the policy? Is it incompetence or simply negligence on the part of the government?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, as the hon. member is aware, External Affairs does indeed have a policy with respect to the export of military goods. It is one of the most advanced in the world.

Just a few months ago the Secretary of State for External Affairs published for the first time a booklet which outlines all our exports, as an effort at transparency. It is something we have been encouraging other countries to do as well.

With respect to the other aspect of his question, I think it is unequivocally clear that the Prime Minister just as recently as the Francophonie this week has once again reaffirmed Canada's position of linking our foreign aid to human rights issues. In fact our proposals were adopted by the Francophonie. Canada has announced a specific project to assist Francophonie countries in the development of human rights as well.

* * *

POINT OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I rise on a point of order arising out of an exchange that took place between myself and the member for LaSalle—Émard yesterday. He made an allegation which is grossly unfair and false. I hope that he will reconsider it.

He indicated in the preamble to his question:

> —the Superintendent of Financial Institutions, has said clearly to the banking community that he wants them to tighten up. He is saying to them: "I do not care how interest rates drop, I do not want you to lend money to Canadian businesses to create jobs". Is that government policy?

Mr. Mackenzie is a distinguished public servant and I have had an opportunity to check what he did say. He did indicate there was a difficult environment for financial institutions throughout the world. I think from the standpoint of fairness the hon. member would agree with me that this was a most unfortunate allegation and I would ask him to reconsider it.

Mr. Speaker: I am not at all sure it is a point of order, but as one of our colleagues just said, having said it, I think the hon. member for LaSalle—Émard should be able to respond.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, messages are conveyed in a number of ways. It was very clear that in the language of the banking community the interpretation of Mr. Mackenzie's speech was that he was asking the banks to tighten up. The reading is very clear. I have had the opportunity to speak to members of the banking community and that was indeed the message that was conveyed.

I would also say that there was no allegation and I was in no way impugning any ill motive to Mr. Mackenzie. What I was pointing out was the very clear difference between his message as it was interpreted by the banking community and the constant message expressed by the Minister of Finance in this House.

Mr. Speaker: I think I should advise the House that I probably have another point of order. However I have a point of personal privilege and I now have to revert to the order in which these were received. On a question of privilege which comes first, the hon. member for Skeena.

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PRIVILEGE

COMMENTS IN CHAMBER

Mr. Jim Fulton (Skeena): Mr. Speaker, my question of privilege arises from remarks of the Parliamentary Secretary to the Secretary of State for External Affairs on Tuesday, November 19, 1991.

The roots of the question of privilege in fact come from a question raised here in the House on October 2, 1991 by myself of the Prime Minister as found at page 3139 of *Hansard*. Pursuant to Standing Order 38, as found on page 3061 of *Hansard* for November 19, 1991, one finds the answer to the question as given by the Parliamentary Secretary to the Secretary of State for External Affairs.

I believe it is a question of privilege because it is partly fact and partly of the law of contempt of Parliament. I have satisfied myself through direct personal communication with the Secretary of State for External Affairs that the November 19, 1991 statement to this House by the Parliamentary Secretary to the Secretary of State for External Affairs is false.

I endeavoured to obtain a satisfactory resolution to this in writing from the government and to date this has simply been without satisfactory result. I believe this to be substantially beyond a dispute as to the allegation of fact because the statement made by the parliamentary secretary is the following, and I quote:

> It is not only U.S. subs that have gone through there, but other NATO subs have been there.

This is a direct reference to Dixon Entrance. The reason that it is a more complicated matter than just a border is that if one refers to the November 1, 1991 answer of the Secretary of State for External Affairs, when I asked if there had been any U.S. submarine activity in Dixon Entrance in the previous two years, she said on November 1, 1991 in this House:

> My understanding is no, but I am quite prepared to look into it and let the member know.

Three days later I was forced to raise it again in Question Period and put it to the minister again, at which point she said, and I quote:

> Indeed there were transits through the Dixon Entrance in 1989 and 1990.

I do not think it should be necessary, once a parliamentary secretary or a minister knows that a statement they have made is false, for a member to be forced to come back every time in Question Period to get it remedied.

The reason I think this constitutes a matter of privilege is that the government had denied on the floor of the House and outside this House that there had been any known submerged illegal traffic through Dixon Entrance and subsequently was forced to admit it.

We now have an allegation by the parliamentary secretary who has access to information that members do not have from External Affairs and has stated on the floor of this House that subs other than U.S. subs have been using Dixon Entrance. It is quite clear that the minister says that is not the case. I believe that constitutes privilege, since it has not been withdrawn in the House or in writing as I requested. I am prepared to move the necessary motion so this can in fact be taken up by the House itself.

• (1510)

Mr. Benno Friesen (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, yesterday afternoon I became aware that I had in fact misspoken myself in responding to the statement made by the member for Skeena. I was prepared today to make a correction in *Hansard* and had prepared a statement to that effect.

Mr. Speaker: I would like to advise the House that the hon. member for Surrey—White Rock—South Langley gave me notice of rising on a question of privilege and I take it this is exactly the point.

Mr. Friesen: Right.

Mr. Speaker: I thank the hon. member. Please continue.

Mr. Friesen: Mr. Speaker, as you said, I had given you notice that it is my intention to correct the record. I asked *Hansard* officials to take notice of the fact that when I spoke on November 19 I may have given the impression that submarines of NATO partners other than the United States have transited Dixon Entrance.

I was referring to the government's October 30 announcement giving consent to port visits by nuclear powered and capable vessels that include British submarines. Dixon Entrance has not been used, and I underscore that, by NATO allies other than the United States. Canada's prior consent for transit of Dixon Entrance, as announced on October 30, pertains only to American submarines visiting the underwater acoustic testing facility in Behm Canal, Alaska.

I would also emphasize to the hon. member that if there is a question of who is right, I or the minister, I will choose the minister every time.

Mr. Speaker: The hon. member for Skeena has raised the point as a point of privilege and it may have appeared on the surface that there might be a point of privilege. The hon. member has given an explanation and I thank both hon. members for their courtesy in expressing their views.

PREAMBLES TO QUESTIONS

Mr. Bill Attewell (Markham—Whitchurch—Stouffville): Mr. Speaker, I rise on a point of privilege.

Beauchesne's on page 121, section 410.(8), reads:

> Preambles to questions should be brief and supplementary questions require no preambles.

Mr. Speaker, if you read the "blues" you will discover that the Leader of the NDP today, not in her first supplementary but in her second supplementary, literally made a speech.

Today I wanted to ask a question in this House. Mr. Speaker, I think it is most unfair that you would not cut short something like that. It should not be allowed. We should get back to the basics of Beauchesne's.

Mr. Speaker: The hon. member can quote Beauchesne's and so can other hon. members. When the hon. member can bring all other hon. members together and direct to the Speaker a change in practice that has been going on since long before the members who are now sitting on the right of me sat on the left then I would be only too prepared to cut down preambles.

There is no question in my mind that the overly excessive use of preambles creates problems in the Chamber. It creates problems for me because it takes too long. It creates problems for those receiving the question because they deal with the preamble before they get to the question.

The hon. member's position is not without some substance. However I say to the hon. member and to other hon. members that I need the co-operation of all members if we are going to change the preambles. I will do the very best I can. I thank him for his intervention.

Is the hon. member rising again?

Mr. Attewell: Yes, Mr. Speaker. I just want to make the point that it is one thing to say that all members can make something happen, but I really think your leadership is the key to make that happen. I do not feel that it is that difficult.

Mr. Speaker: You may find out now how difficult it is.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, as you are well aware, and I think all members are well aware, the House leaders of the various parties have been having discussions for some time to find ways and means to make Question Period more productive.

For example, we have offered to extend the hours and others have suggested a shortening of preambles. I think that those who were listening carefully to the questions raised by the Leader of the New Democratic Party during Question Period would have to agree that they were really outstanding questions considering the importance of the material.

I think the hon. member is right. We can all work to improve and make them more effective questions. That is certainly a goal that we will continue to work toward.

Mr. Speaker: I think the hon. member for Kamloops has indicated that there is always room for improvement. Perhaps the exchange moves us in that direction. I thank both hon. members.

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BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, on the weekly business question to the government House leader, he is well aware that the co-operation that has been given to him by the Official Opposition and by members of the New Democratic Party has seen the passage of Bill C-38, Bill C-12 and Bill C-30.

I wonder if he could indicate to the House, because of the co-operation which has been extended to him, what business will be remaining for the rest of today and for Friday. I believe we have an understanding for next week up until Wednesday. I wonder if he could explain that.

Second, while he is on his feet, I wonder if he could give us some clear indication as to when the enabling legislation for the purposes of a federal referendum would be coming before the House.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I would be willing to answer that question even if they had not been co-operative.

They have been and we have been able to make some progress. It would be my intention this afternoon to call government Motion No. 5, the motion dealing with decorum in the House. It is appropriate, given the point

of order we have just discussed, we have an opportunity to debate that more between ourselves.

Tomorrow, Friday, November 21, we hope to begin and complete report stage and third reading of Bill C-3, an act dealing with real property, a technical matter, and possibly complete the debate at report stage and third reading of Bill C-35 which is a miscellaneous act, just correcting a number of statutes. Again it is not too controversial.

In the early part of next week I would hope that we would be able to complete report stage and third reading of the collection of bills dealing with the financial institutions, that is Bill C-4, the Trust and Loans Act; Bill C-19, the Bank Act; Bill C-28, the Insurance Companies Act; and Bill C-34 dealing with co-ops and caisses populaires.

In terms of the rest of the week I would expect to engage in the usual discussions on how we might complete the business for the end of next week as well as the next three weeks leading up to the Christmas break.

Unfortunately I do not have the information to respond to the question of the House leader of the Liberal Party respecting referendum legislation.

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, I have a question for my hon. friend, the government House leader, regarding an issue from I think two or three days ago during Question Period.

The Minister for Consumer and Corporate Affairs referred to and quoted from a number of letters. He enthusiastically stood and said how pleased he was to ensure that they would be tabled.

I have not checked the Table. Perhaps he could indicate if has he got around to that or if would he do that perhaps for tomorrow.

Mr. Andre: I am still enthusiastic about taking those documents up. I am sorry to hear they have not been tabled. I will endeavour to have them tabled tomorrow.

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HOUSE OF COMMONS

REPORT OF AUDITOR GENERAL

Mr. Speaker: As chairman of the House of Commons Board of Internal Economy I have the pleasure today of tabling, in both official languages, a report on the recently completed audit of the House of Commons administration carried out by the Auditor General of Canada.

On behalf of the board I would like to thank the Auditor General and his staff for a thorough and constructive review, the first comprehensive audit of the administration since 1980.

The report concludes that substantial progress has been made since 1980 and that the opportunity for further improvement is available in a number of areas.

According to the report: "Our observations do not suggest serious widespread problems".

[*Translation*]

The board was pleased to note the Auditor General's praise for dramatic improvement in the way public funds are used at the House of Commons.

At the same time, we are indebted to the Auditor General for his useful diagnosis of administrative practices needing improvement and his prescriptions for change.

• (1520)

To facilitate follow-up the Board of Internal Economy has created a subcommittee for audit implementation. This subcommittee will oversee the practical application of the Auditor General's advice.

All members of the House of Commons have an obligation to make the best possible use of resources provided by the Canadian public. The board will continue to help ensure that the recommendations which achieve that goal are implemented.

[*English*]

More specifically, acting on the Auditor General's recommendation, the board intends to strengthen the management of House-wide issues by re-examining and improving its information planning and decision-making systems. A review of the organizational and authority structure of the two management committees of the House administration and their relationship to the board has already begun. A formal program evaluation and internal audit function have also been established.

The audit report has concluded that the efficiency of administrative services varies. Measures are always under way to adopt best practices of well performing units in other areas which could benefit from them. Steps will

also be taken to improve the efficiency of operations and management practices where needed.

With regard to recommendations dealing with security, action will be taken to improve further the effectiveness of the operations of the service. As to the recommendation for a joint security force with the Senate, the board has noted that the Auditor General is currently conducting a broad review of this and other potential joint services on the Hill. The board wants to review the results of this study before reaching a decision on this matter.

[*Translation*]

On the question of making more information about House activities and members' expenditures public, the board agrees that budget documents should be made more readily available to the public.

The board will also undertake a review of the various expenditure categories which are not now part of but could qualify for inclusion in the members' operating budget.

[*English*]

In conclusion, the board was pleased to note that for almost all services more than 90 per cent of members who responded to an audit questionnaire said that their needs were well or very well met. As a result the Auditor General concluded that:

> Clearly managers and staff of the House have reason to be proud of this accomplishment.

The board would like therefore to acknowledge the hard work and dedication of all House employees and express to them the board's appreciation for the high standard of services they have rendered to the House and the public of Canada.

GOVERNMENT ORDERS

[*English*]

HOUSE OF COMMONS

DECORUM IN THE HOUSE

The House resumed from Friday, October 25, consideration of the motion of Mr. Andre (p. 4030), the amendment of Mr. Dingwall (p. 3887) and the amendment to the amendment of Mr. Riis (p. 3881).

Mr. Bill Blaikie (Winnipeg Transcona): Madam Speaker, I am pleased to be able to have the opportunity to enter this debate on decorum in the House of Commons, which was a motion prompted by some unfortunate events in the life of the House recently, the nature of which was not reflected in the government's motion.

What prompted this motion in the first place on the part of the government was a need to respond to the public perception that life in the House of Commons was deteriorating and what prompted that perception of deterioration was the use of racist and sexist language.

Yet the motion we have before us from the government talks about general matters of decorum and fails to make the appropriate distinction between general matters of decorum and the use of racist and sexist language. I think that is, if I understand the amendment from the Official Opposition, what the amendment seeks to do. It seeks to make it clear that it is a distinction which needs to be made by the government and by the motion so that the government is not able to bury the embarrassment which it quite rightly should feel about the behaviour of the members who used the racist and sexist language in question in the larger issue which has existed for some time of House decorum.

Our amendment has to do with the question of political parties taking responsibility for the behaviour of their own members. Therefore it points to the need for the government to respond rather than just simply asking the House to respond to a situation in which certain behaviours or the use of certain language by members might call into question whether they should continue in their particular parliamentary duties. This is an issue the government has not been willing to face up to and which our amendment tries to address.

I might also say a curious thing happened with respect to this motion. The government House leader said there was going to be a free vote on this decorum motion. I am not sure why he felt this was important. I do not know whether he has people in his own caucus who want to vote against the decorum motion and is freeing them up to do so. What could he possibly have meant by declaring a free vote on a motion which encourages good decorum in the House of Commons? Is there dissent, debate and

discussion within the government caucus about whether decorum is a good thing in the House of Commons?

If it is a free vote then why is the House leader, after having introduced the motion, speaking on behalf of the government as to the acceptability of certain amendments? If it is a free vote then it seems to me that the government House leader cannot negotiate on behalf of that collectively known as the government caucus as to whether the NDP amendment or the Liberal amendment is acceptable. Therefore one can only speculate as to what goes on in the dark recesses of the government House leader's mind as to what constitutes a free vote. First, although I am certainly not against it in principle, why was this declared to be a free vote in the first place? Second, why, if it is a free vote, does the government continue to negotiate in a way that is reminiscent of non-free votes, of more traditional party votes?

What I want to suggest today in speaking about the matter of decorum is that in spite of the need to address some of the things that have happened here in the last little while, the fact of the matter is that the incidents which became notable were incidents having to do with things that members said which they did not intend to be on the record. I think it would be a mistake on our part if we became preoccupied only with those things which have been said which people had not intended to be on the record.

The fact of the matter is that this place is as much in danger of being undermined by the things that are said on the record.

• (1530)

In this respect I am talking about the general matter of decorum, how members conduct themselves in the House, the way in which we ask questions, the way in which they are answered and the general way in which business of the House is conducted.

Much of what is said on the record and which is within the rules has contributed in the last little while to a general deterioration in the perception by the public of the House of Commons. I enter this one caveat and that is it is not the first time the House of Commons has been held in disrepute.

I can remember when I was a kid during the Diefenbaker-Pearson era, the Munsinger crisis, the Rivard scandal and everything else, when people thought that political life in Canada would never recover from that all-time low, that muck-raking and everything that was going on, and yet it did.

There may be a certain extent to which political life goes in cycles and is renewed from time to time. We I think rightly perceive that almost all Canadians with the exception perhaps of that very strange 16 or 17 per cent who support the Conservatives would feel that a renewal is in order. We may disagree among each other as to what shape and what context that renewal should take, but I think there is almost unanimity within the Canadian public that renewal is now in order.

I do think that we have come upon a new time in the life of Parliament and that we may actually be in something which is not just cyclical but historically new and historically problematic in a way that other times of cynicism about Parliament and politics have not been. I think that has to do with two things that are related.

It has to do with the absence of real power on the part of members of Parliament and the subsequent substitution of the rewards of power and real influence, however limited that might be, on the part of members of Parliament and the subsequent substitution of publicity as that which has taken the place of whatever power members of Parliament may have had in the past and have subsequently lost.

I am not trying to do kind of a golden age thing about a time when members of Parliament had all kinds of power. Members of Parliament have probably always had to struggle to have as much influence as they could over cabinet, over the Prime Minister and over various other forces in our political process. The fact is, and I certainly feel this is the case, that since I arrived here in 1979 the power of individual members of Parliament and of members of Parliament collectively, whether expressed in the form of opposition parties or in committees or whatever, have been reduced.

I know that goes against the conventional wisdom on the government side, that as a result of the McGrath reforms the power of the private member, the individual member, has been increased and I want to go into that. I think that at some levels, in some procedures and in some ways that is true, but when we get to the fundamentals, when we get to things that really count, the power of Parliament, as Parliament or expressed through opposition parties or expressed through the decisions of

committees, has actually been reduced since 1984 rather than increased.

For instance, committees have the power to study what they want to study now instead of waiting for a government reference, the way it was when I first arrived here. The committees do not yet have the power to have their conclusions, after they launch these independent studies, respected by the government.

We have seen a decline in the enthusiasm people had for reform of the committees. As a result of the absence of a government prepared to respect the decisions, in some cases unanimous, of committees there is a decline in the belief that committee reform is actually working because no real power has accrued to those committees as a result of reform.

That is just one example. There are others. For example, the most recent rule changes have severely curtailed the ability of the opposition to get in the way of the government and force it to come to terms with criticisms of its proposals or legislation. I know some people in the public might say: "That is precisely the problem. He is talking about getting in the way of the government".

In many ways that is what this place is for. We are here to hold the government accountable, to get in its way, to ensure that it does not always get its way. We are here to represent alternative points of view and alternative ways of solving the problems the government seeks to solve with its legislation.

Over the years the power of the opposition to make the government listen, by making life difficult for it, has been eroded. This ability to delay things ought not to be regarded in the entirely negative way that it is sometimes regarded. It seems to me that the notion of delay has been unduly discredited. What we try to do here, especially when the government is trying to do something that we think the public is dimly aware of or does not realize the full consequences of, is hold things up until public opinion can be informed or mobilized, depending on the particular view of the public.

There is always a political judgment to be made by the government and the opposition. When we hold things up we might pay a political price if we are wrong in our political judgment. We might be seen as holding something up that in the final analysis the public thinks is good, or at least all right. The government has to make that same kind of judgment. However, lately the rules have become so skewed that we rarely have to make that judgment any more because we cannot hold up anything long enough to feel that we are in a position requiring us to make that judgment.

In the absence of that kind of power there is a tendency on the part of members of Parliament to want their constituents to at least know that they are here. How do you do that? You show up in the media. You have to be seen, not just on the parliamentary channel but on the news if you can manage it.

In the absence of this real power, which can be respected and used, members of Parliament are behaving irrationally for very rational reasons. In order for people to have the impression that they are doing something when the things they used to be able to do they are not as able to do as a result of changes in the rules or because changes have not been accompanied by the appropriate attitude on the part of the government to give those reforms real substance rather than just procedural reality.

The wrong kind of behaviour is rewarded in this place by attention. People wonder why. I am trying to explain why I think it is so. Members who are unwilling to play this game are condemned to a life of relative obscurity. Members who are by nature unwilling or unable to play that kind of attention seeking game are condemned to a life of obscurity. They may try to find other ways to combat it politically, such as being good constituency members or utilizing other strategies for surviving that kind of obscurity.

• (1540)

The fact is that this is one of the central problems in the House of Commons today. Unless we address it, we are not going to get to the heart of that.

There is never going to be a relationship that is completely equal. The government is always going to hold the upper hand to some degree. That is as it should be. The government is the government.

However, when there is a completely lopsided arrangement like we have now it is no longer the negotiation of peers. It is simply the semblance of civility that exists when you are in a room with a big bully known for

his violent behaviour. You try to get along because you know what happens if you do not get along.

That is the relationship we are in now. If the power relationship was more equal or more balanced then we would be able to do things that people are sending us here to do.

I will give a couple of examples. In recent weeks we have had back-to-work legislation a couple of times. As a result of the fact that back-to-work legislation is something the government tends to need that day and because this government has not yet figured out a way to streamline the rules in its own favour, there is still the odd occasion when it actually needs our help to get something through that same day.

When the government needs us—as it should; after all we are not just furniture around here—time and time again we are able to do constructive things.

We are able to work together. We are able to say to the Minister of Labour that if you want that back-to-work legislation concerning the grain handlers at Thunder Bay by such and such a time, maybe you had better listen to the grievances the union has and ensure that pensions are on the table.

It had to put pensions on the table, and that was a good thing. We all agreed upon that. It was a constructive event because the power relationship was the way it much more often used to be when the ministers had to depend on members to get their estimates and various other kinds of things through the House, when members of Parliament had real power over the government instead of just acting as a facade for the parliamentary dictatorship that is emerging.

It was the same with the back-to-work legislation on the postal strike. That was again a situation where there was a greater equality of power between the two sides of the House. We were able to say that it would be a lot easier and a lot fairer if some commitments were made to the workers with respect to the pay package that had been negotiated up to that point and if the imposition of arbitration was not something which would bring everything, including money matters, back to square one.

We were able to do that, although Canada Post has since tried to fudge on that commitment. That is another example of what this Parliament can be like. I sometimes feel that in those few moments when we are doing things, where we are needed by the government, that is what Parliament ought to be.

When all of us are important and all our views are taken into account what comes out of the Chamber eventually reflects, in so far as is possible, the concerns of all the people in the Chamber. That is not always going to be possible.

I am not trying to be naive about this, but I use it as an example. If we could find a way to restore and enhance meaningful power on the part of members individually and collectively, a lot of the behaviour that we do not like would disappear.

Mr. Jim Hawkes (Calgary West): Madam Speaker, I was going to leave the Chamber when I heard the hon. member begin to speak.

I was very interested in what he had to say because he worked so hard on the McGrath commission that brought about the first big blush of parliamentary reform. I am pleased that he spoke. I heard some very useful thoughts and ideas.

I would like to respond to him. One night two weeks ago was not a very pleasant evening. He rose to try and get some information and the Speaker would not allow it to be put on the table at that point. We did have an early vote and it was really at the request of the member in private members' hour who moved the motion. The Whips were only vehicles to activate what the private member wanted, which was the subject matter to go to committee, no vote to be held, and it was blocked by a separatist in the Chamber.

So just to clear the background, I understand people did not understand that background in the heat of the moment. It really was what we had to do, if we were to respect private members' hour. We had to follow the wishes of the private members and that is how the Whips functioned on that evening.

I would also like to just say that it is a funny kind of a day. We had a few statements about decorum before we got into this and I was going to rise and decided not to and I went to the table afterward. We have a Standing Order 31 and there are rules related to that. It is the first part of the Question Period. Today we had 15 statements

made by 15 different members. Seven of them broke one rule, the length of time rule. Nobody called them to account. Will there be any punishment tomorrow because they took other members' time in the sense of them being ignored and not recognized? I personally think there must be. I think a rule without enforcement is worse than no rule at all. I think that is part of what has gone wrong.

I agree with the member totally that the wrong behaviour is rewarded in this place. If the refereeing was such that the wrong behaviour could not and did not occur then perhaps some responsible behaviour would be rewarded out of this place. When you give television a picture of somebody breaking the rules of the Chamber in terms of language or attitude versus a calm, rational statement, they will take that bad picture and put it on television 10 times out of 10. Unless this place stops it when it starts then that is the way the institution gets portrayed.

I back the member totally when he says that the wrong behaviour is rewarded and it should change. Wrong behaviour should be penalized and then ignored.

In my early days in this Chamber we were filibustering the Constitution. I raised a point of order for about an hour on what time it was and which clock was the right clock. I did not break a rule, but I did try and delay the government from doing what I thought was wrong. The Speaker was embarrassed because television used that argument of the clock with great repetition. I was not recognized for 33 consecutive Question Periods. After 31 I rose on a point of order and I was on the list, but the control is in the hands of the Chair, the referee. Nobody needs to be recognized ever in this Chamber. If we misbehave I suggest to the Chamber we should not be recognized for some suitable period of time. Then the reward, which the member is seeking, does not occur.

The use of inflammatory language, the use of personal insults, that kind of behaviour, which all of us abhor in our colleagues of all parties, will not be brought to a standstill until we cease to reward it. When you are a politician, being ignored, not being allowed to catch the camera and not being on television are the basic ways available to us to punish. But it has to emanate from the Chair. It simply has to emanate from those control buttons that sit on the arms, that cut members off, that switch cameras.

I do not know whether the member would agree with me, maybe not totally, but does he and his party agree that the inappropriate behaviour that brings the institution itself into disrepute has to be brought to a halt? Then not only should we have equal powers but I think equal power comes from equal respect.

In this Chamber you get your way with your colleagues of all parties because they respect you. It has more to do with that I think when it comes to legislation and amendments and so on than anything else.

• (1550)

There are other games we get into from time to time. Over the years I have seen members of all parties who have had enormous influence on a variety of events simply on the basis of the homework they have done and the respect they have earned from their colleagues.

Inappropriate behaviour detracts from respect. Appropriate behaviour gives us respect.

Mr. Blaikie: Madam Speaker, I believe the hon. government Whip was referring to the vote which took place on the private member's bill of the member for Winnipeg—St. James which prompted the anger leading to the grabbing of the mace.

My understanding of it is different from my own conversations with the member for Winnipeg—St. James. When I talked to him at that time I certainly was not under the impression that he had requested the early vote. He seemed as surprised by it as anyone else. I understand that there was a move to refer the subject matter to committee and not have a vote. All that happened with the consent of the member.

The vote had finally been caused because of the refusal of the Bloc Quebecois to give unanimous consent for it to be referred to committee. The decision to have the actual vote after a four or five minute bell was something decided by the government Whip and the opposition Whip. It certainly made a lot of members very unhappy who, myself included, were on their way to the Chamber to vote for that private member's bill.

I think it does raise a question. I am not sure what the answer is. I am not suggesting that the answer to the question of the role of government Whips in the deter-

mination of votes for Private Members' Business is easy. There could conceivably be—, I am not saying this happened on this occasion; the government and opposition Whips may have had good reasons in their own minds—collaboration on the part of the two Whips against a member whose motion was coming up for debate and was not well liked. An early vote might work against the possibility of it passing.

I think that is a concern. Possibly we can address that in the Standing Committee on House Management in the long list of concerns we must consider.

As for the hon. member's comments about the Chair I have to say with greatest respect to the Chair that I think there is a great deal of truth in this. I have said this before. When I first arrived here in 1979, if the Speaker thought that your first question had been too long or had been answered, you simply did not get recognized for a supplementary. It happened to me.

I would stand up and be standing there and somebody else would start talking. The Speaker used that power to discipline people. If you did not do things right you soon knew about it. How did you know about it? You knew about it because you did not receive a supplementary or did not get recognized, et cetera.

I know the argument of the Chair is that now that the party lists go to the Chair, the Chair does not have any recourse. We had party lists then so I do not think that fully meets the objections. One of the objectives of the McGrath committee report suggestion to have the Speaker elected by the whole House by secret ballot was to give the Speaker a greater not a lesser mandate to deal with the House on behalf of the House.

I know what the Speaker has to say about this. However, with the greatest of respect I think the Chair already has that authority. If it was used fairly a great wave of relief would sweep over the Chamber. I only hope that will happen at some point.

Finally with regard to the point made about respect versus power, I think the hon. member is right. Respect has a lot to do with it but it is also a question of power.

Mrs. Diane Marleau (Sudbury): Madam Speaker, I am very happy to speak today on this motion of the government. I certainly agree that it is something this House has to address. It is something that each and every one of us has to think about very seriously.

I was once a student in a private boarding school. The sisters there used to give lessons in *savoir-vivre*. That is how to behave, how to treat your fellow classmates, how to stand properly and how to address someone else. Many of us here could benefit from that kind of lesson and of being reminded many times that respect begins with respecting one another. It is an extremely important issue.

This is not a school. In essence this is the highest court of the land. It is the place where the laws that govern all the people of Canada are made.

Part of the reason for the lack of decorum in the House of Commons is the frustration of Canadians, which is reflected by and large in members of Parliament. There is a feeling across Canada—we are all very much aware of it—that Parliament is not listening to the ordinary Canadian. That is reflected here because often as members of Parliament we feel that we are not listened to. We feel that the government sets the agenda behind closed doors, comes out with a bill process, and often imposes that process on the rest of the members of this House, including the backbenchers on the government side. It is extremely frustrating. We have been elected to represent the people in our ridings, yet it is almost as if we are not allowed to completely do our job when this process is under way.

First and foremost we must open the process up. Perhaps we need more pre-study of bills, more open discussion, and more respect for each other's opinions. We will not always have the same opinions. We do have a parliamentary democracy. A parliamentary democracy is made up of different parties. Different parties have different philosophies, different rules, different things they care about, and different ways of looking at things. One is not any better or worse than the other, although we may sometimes believe that we have the answers. There will be some very strong disagreements on some issues.

I honestly believe that we can do this if we work together. I have seen some of these things work and work well when the government is open to bringing forward the best piece of legislation possible.

When I was on the finance committee I had the good fortune of working on a piece of legislation concerning which we were told: "We want you to come up with the best piece of legislation that you can". The government had brought forward some legislation and realized that it

was not the best it could be. It was a very difficult issue. What we came out with was certainly not perfect. However all parties worked on it together. It felt good to think that we could work constructively. We could support the bill because we knew what had gone into the bill. We knew its weaknesses and we knew its strengths. We were happy to do it. That is not to say that there were not reservations about that particular bill.

I would like to see much more of that happening.

When we talk about decorum in the House of Commons it is often in reference to Question Period. I have been a member of this House of Commons for three years now. It is not always easy, especially as a new member, to stand in this House of Commons and ask a question during Question Period. There are many times when you stand to ask a question in Question Period and are laughed at. There are a lot of comments being made. It is not an easy thing. I understand one of the reasons the government members sometimes do this is because it is very uncomfortable to have some of these questions asked.

• (1600)

I respect that the questions are uncomfortable, but I believe that Question Period is the only time and the only area right now within our Parliament where the government can be taken to account and can be questioned on some of the things it has done.

The government Whip spoke a short time ago and said: "Well, you know we have to enforce times and the Speaker has to be more strict and he has to turn the button off and not recognize people". The problem with that is it puts all the burden on the shoulders of the Speaker. I would hope that the Speaker can temper some of these limits with a little bit of mercy.

There are times when you stand up in the House of Commons and you are nervous. You may stumble on your words and it may take you a little bit longer than other times. I would hope that there is some mercy in this House of Commons, instead of automatically turning the button off after 30 seconds, because somewhere, somehow in some book it is written that your speech should only be 30 seconds long. There are some questions that are impossible to ask in 30 seconds.

I know we strive very much to have our questions within a certain limited time. I know the government also wants its ministers to answer in as succinct a pattern as possible.

Let us go back to Question Period and the fact that Canadians often only see the theatrics of Question Period, because that is the 30 or 10 second clip. That is not going to change very much. Television is here to stay. It is not going to go away. People like that. Much as we sometimes decry the theatrics, they will continue. People will continue to demand them and as long as we are providing the theatrics, television will show them.

The biggest thing we can offer is that we do not fall into the same traps. If we respond in a calm and professional manner, then perhaps there will be a balance and we will not only see the theatrics.

We live in a very fast changing world. You never know from one minute to the next what will happen and you have to be prepared for everything.

The other aspect is the televising of the debate. Did the respect of Canadians for Parliament go down after we started televising Question Period and the debates, or was it going to happen anyway? I would suggest that it would probably have happened at any rate.

If you go back over the history of Parliament, you find in many of the old debates that the same questions of respect for Parliament by the people of Canada have come up time and again. The same things are happening in countries around the world. Whether it is just television causing it or not, I would venture to say it is not. I would venture to say that it is happening around the world, not just in our country. We are not alone in having these particular problems.

I would like to remind the people of the House of Commons that I believe that television has actually brought more decorum to the House of Commons than there was before televising.

I was a student at Ottawa University 30 years ago. I thought it was great fun to come up into the gallery and watch the House of Commons. I can tell you that what I see today is far tamer than what went on in this House of Commons during debates and Question Period 30 years ago. It is a much calmer place. It is not half as noisy.

I can tell you that there was paper throwing, there was banging on the tops of the desks, and there were all kinds of goings-on. Of course it was not televised and it was quite pleasant as a student to sit upstairs and look down in here and make fun of some of the players and admire some of the others. Because I had the opportunity to visit this Chamber that many years ago, I am quite happy to report that it is a far different place nowadays than it was then, some of it for the better.

We talk about responsibility. I think everyone has to take responsibility. Parties have to generally just speak to their members and remind them of their responsibilities as parliamentarians to the people in their ridings.

I would like to believe that we will all take responsibility and not put all of the burden on one person who happens to be sitting in your place, Mr. Speaker. I think your position is quite difficult in that you must always be the person doling out the times and then, perhaps, the punishments. I do not believe it should solely be the responsibility of the Speaker.

We talk about responsibility. You know, when others show responsibility toward you, it is a lot easier in turn to show responsibility toward them. I will give an example. Ministers of the Crown are always going to my riding of Sudbury and making announcements on all kinds of things that I am not notified of. I have no idea of what they are doing in my riding, ever. I find out afterward when I read the newspapers.

I think that as a sign of respect it might be nice if we were told in advance, although perhaps not too far in advance because they would worry that we might say something. However, if we were at least warned that they were going to be in the riding, and perhaps invited to attend occasionally, it would make us feel more a part of what is happening with this government and it would make us feel better. Perhaps we would treat the ministers better as a result of this. It is a simple courtesy, I would think. Many times we probably would not be able to be there because they would travel to the riding when we were here in Ottawa, or something of that sort. But simple courtesies make you feel better about many things that go on in this House.

I would suggest that has to start happening, along with a whole new way of coming forward with bills and budgets. The government goes behind closed doors and consults with the private sector or whomever it consults with. It then comes up with a budget which of course we are expected to answer to on the first day.

Of course that becomes a very controversial time. I believe if we could sit down in advance and perhaps lay out what we are facing and arrive at some decisions or at least be privy to some of the decisions, all Canadians would be better served. There would be less animosity derived from hearing that the government has to cut this program and we that program.

If Canadians were aware of all of the alternatives that had been considered during the process and exactly why these things had to be done, regardless of whether you liked doing them or not, it would make this a more humane House and a more humane process.

I was once on municipal council and I know this is very different from that because this is a party based house and municipal council was not. But it was far easier to strike a budget when the people of the area had followed through all of the deliberations and all of the difficult choices that had to be made. There was more respect at that point for the members of council who had to make those hard decisions. Sometimes there was animosity toward some of them, but it was a more open process and therefore it was easier to accept some of the difficult things. I believe we can move in that way.

• (1610)

I believe, though, that when there are some serious breaches, such as some of these sexist remarks and racist remarks, they warrant a serious reprimand.

I was at home when a member challenged the mace, and I understood why they reprimanded this particular member of Parliament, but what I did not understand was the severity of that reprimand versus what happened following the sexist and racist remarks. We have to somehow bring back a certain amount of equilibrium between the two, and I think everyone realizes that. I am hoping that this debate will actually change it.

We then talk about freer votes. I believe in freer votes. I have absolutely no problems with free votes. I have certain principles and I would hope that at any time when I am asked to vote on things that would compromise my principles I will continue to vote against those things. I have no problems with that. I think the mechanism for freer votes is already in place, as my

colleague mentioned earlier, and it should be used more often. There are many, many bills that come forward in this House not based solely on ideology. There are things that we can all more or less agree on, things that some of us may disagree on but they cross all party lines. I think it is very important at that time that we be given the right to do what is right and to vote the way the people in our ridings would want us to vote.

It is not always easy to know what the majority of the people in the riding want. Often there are a number of very vocal constituents who will bend your ear, but they do not necessarily always represent the majority of the people in your riding. You have to use your own judgment many a time to find a way of determining what the rest of the people who are not speaking out really feel on an issue. That is somewhat difficult, and it has to do with each and every member of Parliament. Obviously during an election campaign people in the ridings must make sure they question the candidates to know what their feelings are and what their beliefs are, because then they can make some judgment as to whether they want to be represented by that person.

I am also very interested in the emergency debate questions. We had a debate on Croatia and Yugoslavia and the emergency there. I wonder why it took so long before we could have the debate on that question. The situation got progressively worse and worse, and I know that demands were put for an emergency debate perhaps as long as two months before the debate actually occurred. You wonder, as you sit here as a member of Parliament, why consideration was not given sooner to the debate. It is a simple question.

I am not too sure how the decisions are arrived at concerning emergency debates. I would appreciate if anyone later on can tell me how these things come about, whether there has to be a total consensus or whether something that is of vital importance to a certain large sector of your country should be considered automatically. I believe that in the past it was far easier for a member of Parliament from any side to rise and ask for leave to have an emergency debate on an issue of importance.

I thank you very much, Madam Speaker, for telling me that I am running out of time. I would just like to remind everyone that we are here to govern Canadians and we are here because we are Canadians, and we are here to work for Canadians and for our country.

Mr. Alex Kindy (Calgary Northeast): Madam Speaker, I really did appreciate the speech by the hon. member for Sudbury. I think she expresses her feelings and her observations of this House and how it works.

I would like to make a couple of comments. She talked about bills being put forward to the House and said: "How are they prepared? Where do they come from?" I had the pleasure and maybe the honour as well as the disappointment of sitting on the other side of the House with the government.

I can tell her that bills are not being discussed in the government caucus. The caucus is not consulted. The bills are being prepared by the department. The minister brings them and says: "I am going to have first reading of this bill on this date". Naturally you cannot change the principle of the bill once it has been read the first time.

There is a lot of frustration by members of Parliament on the government side because they have no input in the legislative process. The same thing happens when budgets are presented. They are being developed by the Minister of Finance, the deputy minister of finance, a couple of advisers and probably the Prime Minister who is advised what it is going to contain.

Even ministers do not know. It is budget secrecy. I will just give you an outline of what was happening when I was there. I said to the member for Etobicoke—Lakeshore who was Minister of Finance at that time: "Look, you are going to present a budget and you want us to sell that budget tomorrow. We do not know what this budget contains. We do not know whether we agree, whether the Canadian people are going to agree, but this is the way it works. Tomorrow, you get your kits. You go on the phone and you defend that budget".

One of the things that this budget contained was the reduction of old age pensions. Naturally, if they had consulted the members, the members would have told them: "Look, if you want to punish anybody, do not punish the people who have worked for this country".

This is the way things are happening and this is why there is a lot of frustration in Parliament. People are frustrated because really they do not have any input. They do not have input into legislation. They do not have

input in the direction that the government is going to move and so on and so forth.

This is why there is a lot of theatrics in Parliament. You have to show that you are important. When you stand up in Question Period you become aggressive. You are shouting. The louder you speak, the better you are going to be. If you do not have the proper answer from the other side the government, everybody laughs and everybody is happy.

The member for Sudbury said: "In this House, when you ask a question of the government, it is not always easy to put it in 30 seconds". Then you are going to have laughs, comments and if you are a first-time member you might be a little bit rattled. You say: "What am I doing? Am I doing something wrong? Why are they laughing? Is my shirt not properly buttoned up?", and so on and so forth.

There is no understanding of what is being asked. It is a serious matter: unemployment, high inflation, suffering. Those questions are being asked by the opposition.

It was asking today about a lot of bankruptcies. It was serious. People are losing their homes and businesses. We do not want a smart answer from the other side. We want reality. Everybody wants to address this problem, whether it is the opposition or even the government members, but they have no input.

The only thing they can do is laugh and make a joke out of a serious question.

• (1620)

If we do not have a fundamental change in this House I think it is going to be extremely difficult to make progress.

I see that the Speaker says that I am maybe too long in my comments. I am sorry, I will conclude.

The fact is that we need to have a fundamental change in this House. There should be more free votes, more respect for each other, and we should not go back to the school teacher mentality in which the Speaker is going to be the only person who is going to correct and punish. We are the highest court in the land and so we should not deal like that.

The Whip on the government side would like that because he has the school teacher type mentality.

I am going to conclude because my time has expired. I congratulate the member from Sudbury for an excellent speech.

Mrs. Marleau: I thank the member very much. His comments lead me to believe that it is a question by and large of control by a handful of people perhaps on the government side and a feeling of total helplessness by a large number of members which creates some of the lack of decorum in here.

I believe that we have to move forward with the new and forget about the old ways of doing things. We have done things in this House for many years in that way. The sooner we open up the process, we change the process, we look at really responding to the people of Canada and open up the control process so that everyone has somewhat of a voice in the process, everyone will be much happier and Canadians will perhaps feel that they have been better served.

Mr. Howard Crosby (Halifax West): I do not have a question, but I have two comments. There is somebody waiting to speak. I will not take up much time.

In commenting on the remarks made by the hon. member from Sudbury, I could not help but note that in the motion there is a statement that Canadians have expressed alarm at the excessive partisanship in the House of Commons. It talks about decorum and civility.

I think what concerns Canadians with respect to partisanship is that partisanship prevents matters from being resolved, prevents problems from being solved, prevents questions from being answered. It is that kind of partisanship that causes major difficulties. I can think of many areas in which if the members of the House could get together on an instant basis they could resolve problems.

I think of the Supreme Court of Canada decision—and I hope this is dear to the heart of the hon. member—in relation to the so-called rape shield law. The Supreme Court of Canada declared a provision of the Criminal Code providing the rape shield law invalid. I would not like to think there is one member of the House who is opposed to the rape shield law, and yet we sit here day after day powerless, apparently, to do anything about it. I am sure if we could come together we could pass a motion or a bill—I have a private member's bill before the House—under the Constitution to invoke the provi-

sion that will allow the rape shield clause to remain in force.

It is that kind of difficulty that concerns the public. We cannot get together to resolve simple problems that in our hearts we all want to resolve.

I would like to have the member comment on that and see if she can suggest some way that we can find a vehicle, an instrument, to get together on matters in which there is no real disagreement. It is that kind of partisanship that shocks the Canadian people.

Mrs. Marleau: I know that there is a way of resolving this but there has to be a will on all sides to resolve it. When you say you want to get together and come to an answer and come to a conclusion, you have to listen to all sides. It cannot always be either my way or your way; it has to be a compromise on all sides. When we learn to compromise we will have moved ahead a very long way in doing and behaving the right way.

[*Translation*]

Madam 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 Algoma—Unemployment; the hon. member for Kenora—Rainy River—Employment; the hon. member for Saint-Léonard—Paper Industry; the hon. member for Ottawa Centre—Education; the hon. member for Prince George—Bulkley Valley—Forestry.

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, as you know, the hon. member for Saint-Denis, who is a member in good standing of this House, would like to take part in this debate. I intend to leave him enough time to have a chance to share with us some of his comments on Motion No. 5 before the House today, which is of considerable interest to hon. members and to our listeners.

Quite frankly, being a federal or provincial member today, in fact being in any kind of politics, is not easy. When we visit our ridings we are told: "We get the impression that the House of Commons, and not only the House of Commons but the provincial legislatures as well, are not always very disciplined and are lacking in decorum. We sometimes find it hard to take members seriously". This bothers me, because I know that most members, at least those I have had the pleasure to work with for a number of years, are by and large people who take their duties seriously and who are very dedicated. They enter political life with a lot of enthusiasm, although sometimes they are rather naive about what they are getting into. Many members are surprised when all of a sudden they realize it is an extremely demanding job.

That being said, I can see why the government wanted to table this kind of motion in the House. The motion is an attempt to respond to one of the public's concerns, namely how to make this forum, this House of Commons, more representative of the interests of Canadians and a better reflection of what Canadians expect of their elected representatives.

I assume hon. members will recall a comment by that great French politician, Charles De Gaulle. Someone mentioned the occasional state of disorder in the French National Assembly. This is nothing new; Canada does not have a monopoly on this kind of situation and this kind of—

Mr. Prud'homme: Partisan situation.

Mr. Gauthier: —situation where you get disputes between the various parliamentary groups. Charles De Gaulle said, and you will excuse me if I do not use his exact words, but I will try to give the gist of what he said. He said: "We are elected and our system of universal suffrage does not necessarily select the best people. It is a reflection of our population".

When you think about it, it is quite true we have the parliaments we deserve because we elected them, we 27 million Canadians. However, governments also have the parliaments they deserve, because it is often the government that sets the tone, and in fact it should set the tone, decides what the business of the House will be and tables legislation in the House. I want to quote from an article by Michel Vastel which appeared in *Le Droit* on May 25, 1991.

• (1630)

Mr. Prud'homme: An excellent journalist.

Mr. Gauthier: Michel Vastel reported the following, quoting from the Speech from the Throne: "The respect of the people for Parliament and parliamentarians is essential for a healthy democracy, says the Speech from

the Throne, but the credibility of a Parliament and its members depends, in the final instance, on the popularity of the party which has the majority and denies members their independence".

In the few minutes I have left, I would like to concentrate on that particular subject: the independence of members in speaking to questions before the House, the way we vote, the way we speak, the way we take part in debate, both in committee and in the House.

Television changed a lot about the way we behave in the House, and I am no exception. In 1976, when television came to the House, the Speakers of the House who had got along pretty well so far, did not have a list of members for Question Period, for instance. They had no list for members' statements—at the time we called them S. O. 43s, and today S. O. 31s, I believe. There was no list of speakers, either. During Question Period, the Speaker obviously had to recognize the opposition leader but, after that, he had to use his own judgment when recognizing members.

If we look at the records and statistics we see that Mr. Lamoureux, who did not have a list, nevertheless managed to give the Official Opposition, the third party and government members their fair share of questions.

The question arises: Why, in 1976, did the Official Opposition which at the time was the Conservative Party, all of a sudden come up with this list? It was television that imposed this discipline, as it were. In 1976, television could not cope with 40 members rising at once. It was absolutely impossible logistically, mechanically and scientifically. In any case, as far as television was concerned, it was impossible to broadcast this way.

So the Official Opposition decided, for the sake of order, to suggest the Speaker have a list. At the time this contributed to a certain degree of order in our proceedings, but it also helped the Speaker set up a system. Today many members, and I am one of them, think the list is a bad thing. In fact the list of members we submit to the Speaker, both for the S. O. 31s and for Question Period, is not entirely what I would have liked to see in the way of discipline. I see the hon. member for Saint-Denis signalling that he agrees with me on this point.

I say this because I am one of those members who are convinced that the Chair should and can use its own judgment to ensure that during Question Period, during members' statements and during debate, there is a certain fairness in the order in which it recognizes speakers or the people who ask questions.

I realize this is one more responsibility for the Speaker. I realize this is an additional burden, but I think backbenchers would feel they were being treated more fairly if we had that kind of system.

Of course party discipline is involved. The caucuses will say that it makes no sense. Today, Question Period is the big show; it is what television and the media watch almost exclusively. Now, at 4.30 p.m., there are probably very few journalists watching the House, but between two and three o'clock you can be sure that many do.

Personally I think that such a list does not make for order, because it frustrates some members who want to ask the government questions about their constituents' concerns. I do not say that it solves the problem, but looking at what has happened since Speaker Jerome agreed to this list in 1976 and 1977, I say that it is not a great success. Let me explain why I believe the list is harmful.

If a member of this House takes too long to ask his question or if a member uses language that is not quite correct, that is sexist, racist or otherwise offensive, the Chair is obliged to take corrective action.

During debate, in Question Period, when members make statements under Standing Order 31, during debate on Private Members' Business or on a motion, the Chair can and I think should act immediately to correct the error, the infraction, if you will, because the Chair maintains order in the House. It must uphold order. But if the Chair does not act immediately, obviously we come back to what I heard another member say, that sometimes it pays to do foolish things in the House. Let us be honest. A member who uses language known to be most inappropriate is rewarded for reasons that I do not understand by the media who cover him or her, sometimes with national coverage.

Using bad language is rewarded. It is an absolutely ridiculous system. I think that we must stop rewarding offenders as we seem to do around here. There must be a limit.

Personally I think that the Speaker should have the power to immediately discipline members who are out of order.

The Standing Orders were changed somewhat, with McGrath in 1985, if I am not mistaken, and the Chair was allowed to exclude a member for a sitting of the House without having to ask members to vote on the matter, under the following Standing Order 11(1)(*a*) that was adopted. I will read it, because it is important:

> The Speaker shall be vested with the authority to maintain order by naming individual Members for disregarding the authority of the Chair and, without resort to motion, ordering their withdrawal for the remainder of that sitting, notwithstanding Standing Order 15.

The Chair has the power to throw a member out for a sitting.

• (1640)

I think that the second option for the Chair, not under the Speaker's authority but under that of the House, would be to have the government House leader move a motion asking the House to throw out a member who uses bad language or misbehaves, makes racist or sexist remarks or acts in a way considered inappropriate for this parliamentary forum. This second option always involved a motion, usually moved by the government House leader, whereby a member was suspended for a certain period: one day, two days or more. If the motion is carried, it involves a heavier penalty since the suspension applies to sittings not only of the House but also of committees.

As a second option, the government House leader can act by moving a motion in the House. Then the House, not the Chair, decides whether to exclude a member for one, two, three or four days. That is not a burden for the Chair but rather an obligation for this House through the government House leader. Let us look now at what happens in other legislatures and take the mother country, for example.

[*English*]

How does it work in the British House of Commons? Here, if you are ejected from the House following a motion, you are ejected for a period of one day, two days or three days from the House of Commons and its committees. In Britain you are ejected from the parliamentary precincts, the whole caboodle: your office, the House and committees. It means that you cannot operate as a member of Parliament with parliamentary expenditures and an office, et cetera. It means that you have to go to your hotel, rooming house, or apartment and operate from there for the period you have been ejected from the House of Commons.

In my view that is a very different way of operating from here. I think it is a better way. It would not give those of us in this House who use abusive language or behaviour any recompense if they abuse the order of the House. That would be a tougher penalty and would be a heck of a lot more efficient, as far as I can see.

Madam Speaker, I talked about why I think you as Speaker can and should operate to keep order in this place. I have talked about the obligation of the House itself to maintain the status of MPs as role models. Believe it or not, some people believe that members of Parliament should be role models, that they should be exemplary in their behaviour, their language and their work.

Most of us try to meet those high expectations. Some of us sometimes miss. I accept that because the society we represent is not perfect and we are a reflection of that society. I would hope that we are trying hard to correct that. If the motion of the government is to provide any hope, the government should look attentively at putting in place a few changes, not very big changes, in terms of protocol, behaviour, and how we act in this place.

For example, I was Whip for six or seven years of my Liberal colleagues. When I first occupied the position of chief opposition Whip the practice was that when the Whips came in for a vote, every member of the House of Commons would be in his or her place. The Whips walked in after the members were in their places and indicated to the Speaker that they were ready to vote.

Today, if you are a Whip, you have to be a football player or even better because it is a heck of a challenge to get from that door to the mace. Everybody is standing there talking. There is no order and no discipline. There

is little to give the impression that we are indeed disciplined and orderly.

An hon. member: Change the Whip.

Mr. Gauthier: We have changed the Whip and I do not see any difference. The member says to change the Whip. I do not think we have to change the Whips. They are doing their best. We have to change our behaviour in this place.

For example, when the Speaker stands everybody should sit down. When the Speaker stands to adjourn the House, we should wait until the mace and the authority of the House have walked out before we walk out. Madam Speaker, every time for the last three, four or five years that I have been in this place, people walk out before you have even had a chance to stand and take leave of the House.

I have a few other ideas that I would like to share with the House, but you are telling me that my time is up, Madam Speaker. In closing, I would say that most of us participating in this debate have the interests of Parliament at heart. It must be an orderly place and it must be a reflection of what Canadians expect, which is the best in all of us. I hope that we will seek that in the near future.

Mr. Jerry Pickard (Essex—Kent): Madam Speaker, I must congratulate my colleague from Vanier. He is a very astute member of the House of Commons who has also shown a very high degree of leadership. Certainly if all members of Parliament followed the type of leadership he provides there would be no question of decorum in this House.

My observations are somewhat similar to those of the member for Vanier. A very large portion of the members of this House are hard working, dedicated to the principles of developing laws and dedicated to making this House a place that Canadians can respect. However that is not the case in every instance. I guess we all are a bit abashed when we realize it is not the case.

I would like to comment on another part of this picture. As a new member coming into the House of Commons I faced the free trade debate and had to speak on it. Believe me, I was as nervous as anyone could have been about speaking in the House of Commons for the first time. I recall being heckled. I think I can recall exactly the members who heckled me.

It is true that those members heckle many others. Not everyone in the House is doing this. It is a particular group of people. It is not one political party. Every political party has people who seem to get very emotionally involved and very concerned about issues. We must realize that the House of Commons is a partisan place. It is a place of adversarial concerns where people do get emotional over issues.

I represent a rural Canadian riding. Farming is a major issue and auto manufacturing has been a major issue. My riding has been through very difficult times. When we speak of the farming issue or the manufacturing issue I do get very concerned. I probably get a little more emotional about those issues than some other members in the House.

When you feel that your issues are not being heard clearly, when you feel that the points you are putting across are not being accepted, you may have a tendency to respond in a negative way. That is not necessarily the way it should be but it is the way it is. I will do my very best to represent the concerns of my constituents and make sure they are heard.

• (1650)

I believe that the House of Commons does bring out the worst in people because of the press, as my colleague pointed out very clearly. The one liners that people are looking for are often what brings this House to a level lower than we would like to see.

The 30-second television clip or the newspaper headline, or some other vehicle by which people hope to get national recognition, often brings this House to a lower level. It is unfortunate that occurs. Many people also question me about the fact that the Liberals are always negative about what the government puts forward.

The Liberals are negative because they are the Loyal Opposition. Part of the role of the opposition is to look at the problems in bills and deal with them.

As my colleague from Vanier mentioned, the problem is not every member of the House. It is only a number of members of the House. I would say a small number. I also point out that the press and the method by which it generates news stories may also be a negative factor. That is very unfortunate as well.

Mr. Gauthier: Madam Speaker, I thank the member for Essex—Kent for his comments.

I think we agree on most of the points this motion addresses. Like him, I think that the present rules and conventions we have in this House are sufficient. We do not have to reinvent the wheel. We do not have to reinvent the mousetrap.

If we applied the rules we have in a good manner, in an efficient manner, this House would be a lot better. If I have anything to add to the comments of my friend from Essex—Kent, it would be to repeat that Canadians receive a reflection of Canada from this House.

I for one believe that my country is not being reflected in a fair manner when these words or unparliamentary acts are being used by people. With the tools we have we can dispose of that, discipline people and make sure the discipline sticks. We have to stop giving people who have broken the rules more publicity, more attention than they actually deserve, and stop recompensing them. That must stop.

[*Translation*]

M. Marcel Prud'homme (Saint-Denis): Madam Speaker, I listened as I always do to the comments made by my colleague and long-time friend. I would like him to elaborate on what he said because he did not have the time to address the issue which we discussed this morning in the House management committee, the issue of how to impress matters on members, without having to change the rules. With a basic education—and by basic education I do not necessarily mean a university degree—well bred people, my parents used to say, behave like well bred people. This is so elementary that I am surprised that I should be stating such an obvious fact.

When someone has a good education, he behaves accordingly. I understand that in the heat of our debates we sometimes say things which we often regret afterwards.

But I do not see why we should destroy a Parliament because of such things. I look at my friend and colleague. I prefer, as you know, Madam Speaker, to call members by their name even if I am told that it is against the rules, but Mr. Darling is our esteemed colleague.

[*English*]

Those who watch him debating know he has learned how to debate vigorously, passionately, but has never seen fit to be vulgar.

[*Translation*]

The hon. member from Ottawa—Vanier tells us that we are often a reflection of what is going on in the country. I would therefore think that this institution should not be destroyed because the behaviour of some of its members is more or less acceptable. He could remind us, and I wish he would, of what went on in this place between 1964 and 1968. I assure you, my dear colleagues, that what you see today pales in comparison. Therefore, we must give hope to Canadians who are watching us by telling them that not all is wrong with this institution. That is the message I will convey to the House when I take part in the debate. We must not destroy the institution because of improper language or behaviour on the part of certain members. I would like my colleague, who is familiar with this subject, to elaborate on that if he has the time.

Madam Deputy Speaker: The hon. member for Ottawa—Vanier has one long minute left.

Mr. Gauthier: Madam Speaker, I invite my colleague from Saint-Denis and hon. members to read the report of the proceedings of the International Association of French speaking Parliamentarians, AIPLF, which spent a whole day here in Ottawa studying the behaviour of elected members and the image they presented to the general public. I ask hon. members to read it carefully. They will see that we have not reinvented anything. Indiscipline and disorder existed in the 1800s, the 1700s and even the 1600s. We will deal with this subject in an adult way. We will try to correct our faults, but we must not try to reinvent the wheel.

Madam Speaker, as president of the AIPLF you will allow me to conclude by saying that you know very well, as I do, that this day long conference in Ottawa you chaired was a great success. I would ask hon. members to read that report carefully.

[*English*]

Mr. Howard Crosby (Halifax West): Madam Speaker, in the few moments remaining I would like to express a few thoughts on the motion before the House.

I want to begin by focusing attention on the statement in the motion that the House recognizes it is a national forum for the consideration of issues and challenges facing all Canadians.

I think those words were chosen very carefully because it is important to point out to Canadians that the House of Commons is not necessarily a forum for resolving problems. The House of Commons does not have the ability to put forward its own initiatives designed to resolve the problems that face Canadians, particularly in these difficult economic times. What the House does is consider propositions that are put forward by the government. Government members for the most part support those propositions and opposition members almost entirely oppose those propositions.

Therefore it is important to recognize it is in that atmosphere that the debate takes place. We are here to discuss the issues. It is quite understandable that there is an adversarial process at work in the House of Commons as we examine the initiatives the government brings forward.

This motion, I think, seeks to examine whether there can be a greater degree of civility among members in that adversarial process. The members should recognize matters of decorum to the point that the adversarial process can be more effective and bring about an appropriate conclusion to the propositions brought before the House.

If the public would recognize that process, we would have a greater and better understanding of the work of the House of Commons.

• (1700)

I do not want to be seen as defending in any way, shape or form a lack of civility in the House of Commons which I am sure is of great concern to you, Madam Speaker, as you see it on a day-to-day basis.

I think it is also important to remind Canadians that the House of Commons is not a place of worship. It is not a church. It is not a church service. It is not like listening to a minister or pastor or priest delivering a sermon. You do not object to the statements made in a church or in other forums, but you do have a right to object to statements made in the House of Commons. If sometimes members are too exuberant in their expression against those statements, it may cause difficulties but it does not subvert the system entirely.

I think what members have to do, myself included, is recognize the need for civility and respond to that concern.

I would like to address another point that is made very clear in the motion and that is the partisanship involved in the House of Commons. It is very difficult to turn back the hands of time on a matter like partisanship. I know as I grow older I am less inclined to be partisan, but then something happens that awakens my baser instincts and I rise to the bait and become partisan once again. I hope that I and other members can control that, but we cannot really apologize to the Canadian public for a degree of partisanship. It has been a part of our system literally for centuries, through the British system and for over a century in Canada.

We can resolve to do better on the issue of civility. We can recognize the common interests of all parliamentarians and just the brotherhood and sisterhood that ought to exist among us. On the issue of partisanship, we can blunt our attacks. We are members of political parties. We are obligated to support a common goal, but I think the motion has served a useful purpose in reminding us that this is a national forum for the debate and discussion of issues. There is an adversarial process, but that process can be dealt with in a civil way and with a lower degree of partisanship.

Madam Deputy Speaker: I will have to interrupt the hon. member who can continue with his remarks the next time the House is studying this motion.

Before we move to Private Members' Business, I would like the House to know that I have received written notice from the hon. member for Hamilton West that he is unable to move his motion during private members' hour on Friday, November 22, 1991.

[*Translation*]

It has not been possible to arrange an exchange of positions in the order of precedence pursuant to Standing Order 94(2)(*a*). Accordingly, I am directing the table

officers to drop that item of business to the bottom of the order of precedence.

[*English*]

Pursuant to Standing Order 94(2)(d) private members' hour will thus be suspended and the House will continue with the business before it prior to private members' hour.

[*Translation*]

It being five o'clock, pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

HISTORIC MONUMENTS

HARPER MEMORIAL STATUE

Mr. Don Boudria (Glengarry—Prescott—Russell) moved:

That, in the opinion of this House, the government should consider the advisibility of moving the Harper memorial statue from its present site on Wellington Street to a site on the grounds of Parliament Hill and that the said memorial be designated as a statue commemorating the valuable contribution to Canada made by employees of the federal government.

He said: Madam Speaker, I have the pleasure to present this motion for debate in the House today, hoping that it will be adopted later on. This motion, as you said so well, Madam Speaker, has two purposes: first, to move the Harper statue and, second, to recognize government employees' valuable contribution to the Canadian society.

[*English*]

First of all I would like to start off by speaking of the Harper memorial and what it means. The Harper memorial is a wonderful statue close to Parliament Hill. It is located on Wellington Street, almost directly in front of Centre Block. It was erected in honour of a young man, Albert Henry Harper, a young civil servant working in the Department of Labour who had been hired by the then Minister of Labour, William Lyon Mackenzie King, later the Prime Minister.

When Mr. Harper was working for the federal government, going back home one night he stopped and, as was customary then, had a walk beside the Ottawa River. There were young people skating on the Ottawa River. Unfortunately they fell through the ice and two of them were drowning. Young Mr. Harper attempted to rescue them unsuccessfully and died in the process.

The tale goes that within two or three days a large group of citizens of Ottawa gathered together to erect a statue in honour of this brave young man. It was perhaps an unusual thing because there have been many other acts of bravery in this country that had not been recognized, but for a whole variety of reasons the statue was erected in honour of Mr. Harper. The site was chosen by the then Prime Minister, Mackenzie King. They erected this statue in front of Centre Block, but outside the grounds of Parliament Hill.

If anyone says that the statue should not be moved, I say to them it has been moved twice already. It was immediately in front of Metcalfe Street. It was moved eastward a few feet. Then because the salt of buses and other commercial vehicles damaged it, it was moved again a few more feet, this time closer to the sidewalk.

The reason I want to move it is because it is a valuable historic monument and it is in the process of being destroyed, by the corrosion and salt of the road, and unlike 1916 or thereabouts we now have many large commercial vehicles which could overrun the curb and hit the statue and destroy it.

I want to move that statue inside the grounds to protect it.

[*Translation*]

Let me tell you why I would, at the same time, attach a plaque, if we agree, to the statue commemorating the valuable contribution made by Canadian civil servants.

[*English*]

It was only a few weeks ago that five brave Canadians on a civil mission yet working for the military crashed in northern Canada and lost their lives. Two of the five came from my constituency of Glengarry—Prescott—Russell: Captain Judy Trepanier of Cumberland and Warrant Officer Robert Grimsley of Limoges. Those are two examples of civil servants who lost their lives working for their country, not in war, but nevertheless they made an immense contribution.

We sometimes take for granted what civil servants do and the valuable contributions they give. We have had a recent row between the government and civil servants and I do not want to get into the debate right now as to who is right and who is wrong. I could but that is not necessary. It will not contribute toward this debate.

The point I want to make is that we will all recognize the tremendous and valued contribution of our civil servants. Recognizing that, I feel that we should offer a small token of appreciation.

[*Translation*]

A few weeks after being elected in 1984 when I arrived on Parliament Hill—I had already worked here as a civil servant during many years—I was given a guided tour on the Hill, and during that visit we stopped in front of a plaque. The plaque was located close to the entrance to the House, but it has been moved since. On the plaque one could read the name of a member who had died in the Parliament fire. I was told: "Here is Hon. Bowman Law's plaque, indicating that he died in the fire. With him died six employees". I asked the security guard who led the guided tour who were these employees, but he said he did not know. When I asked the question at the Library of Parliament, nobody knew the answer.

• (1710)

After searching for several months we were able to get the names of the six civil servants who, along with the member, died in the fire in the Parliament Buildings. They had been forgotten. They remained forgotten for a long time.

Later, on February 3, 1988, the present Speaker of the House decided, after I suggested it in a motion to the House in 1985, to put up next to the one for the member, a plaque commemorating the six employees who died during the fire of February 3, 1916. I am grateful to the Speaker for this kind gesture. It was not very costly. Taxpayers did not have to dig very deep for that, but I think it means a great deal.

What I am asking today in the second half of my motion is much the same thing.

[*English*]

I am not asking that we denigrate the honour of Mr. Harper by attaching another plaque to his statue. What I am saying is that at the same time as we recognize him, we say: "You, Mr. Harper and many other civil servants have given a lot to your country. This little plaque recognizes that you have".

That is all I ask. I know that from time to time we are asked by officials within parties, particularly those in government, to read a text that others have prepared asking us not to support this or to support that. I say to my colleagues that this need not be partisan. We have plenty of opportunity to do that. We just finished 10 minutes ago debating a motion which refers to the fact that from time to time we are much more partisan that we need to be. What an irony it is that only a few moments later we are discussing something for which no partisanship is even required.

Few funds if any have to be spent. The statue has to be moved anyway; it will be destroyed if it stays where it is. I am just asking to put it inside the yard. A few hundred dollars could well buy the plaque necessary to recognize the value of our civil servants.

If I can repeat something I have said before in this House—I have been around here for many years, not all of them as an MP—members will know that I started my career in this place on October 25, 1966 as a busboy. I consider myself one of those civil servants, not one of those dead civil servants who should be recognized. I ask the House to recognize those people who have given of themselves for us. If the government says it cannot afford a couple of hundred dollars for the plaque, I am sure I could raise the necessary funds by rounding up a few civil servants who could contribute $1 each.

[*Translation*]

I ask my colleagues to support this motion which is, I believe, in the spirit of what we talked about this afternoon. I listened to the remarks made by the hon. members for Saint-Denis, for Halifax West and others. They spoke with great eloquence to the motion of the government House leader which basically says that we do not have to be partisan all the time, as we were told and as we thought we should be. In a few minutes we might have the opportunity to prove that all these fine words,

that fine motion we debated this afternoon , were not in vain.

[*English*]

I know the members are personally well intentioned. I ask but a small effort of their time to demonstrate it this afternoon.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, I would like to say at the outset that I agree whole-heartedly with the principle expressed by the motion put forward by my friend, the member for Glengarry—Prescott—Russell.

The statue of Sir Galahad has charmed many visitors to the capital over the years. It is true that salt spread on the streets harmed the statue and caused some problems with the present location so it was moved a little bit further back off the street. Everyone is now familiar with Henry Albert Harper's gallant and selfless act. It is well known to all of us here and all visitors who came. Most of us can look upon it and identify with it even in the present turmoil of the world. There is a sympathy and an admiration for the Right Hon. William Lyon Mackenzie King and for the gallantry that was displayed by this individual.

Harper and Mackenzie King, it might not be so well known, became extremely close friends. They spent many hours debating proper behaviour of men of the time, the gallantry, the gallant, I suppose. Harper retained this youthful enthusiasm, but King did not. Harper retained the ideals and idyllic dreams of youth. King became irritable about his friend's lack of ambition and his deeper and more reflective form of idealism that even at the turn of the century was commonly found in poets and perhaps a little less commonly in men of business and politics.

The memorial that was placed by King was a remembrance of Harper's gallantry and death in his attempt to rescue Miss Bessie Blair from drowning beneath the ice. It has also been called a farewell, not only to his friend but to the feeling that King probably lost some of the enthusiasm that Harper had, after he got into politics.

Incidentally it is not strictly true that Sir Galahad is the only monument to civil servants in Ottawa. Behind the National Library at the end of Wellington Street there is a handsome portrait statue of Sir Arthur Doughty, Dominion Archivist, looking solemnly out over the river. He too was King's friend. Doughty's monument used to be in a more prominent position. I understand that it could have been in the front of the building, but rumour has it that a chief librarian who followed him had it moved to the back.

As to the substance of the motion of my hon. friend, I would like to bring to the attention of the House that the Department of Public Works, as well as adding to the statuary on the Hill, has been cleaning the Harper memorial and as far as possible restoring it to its original condition. It has been cleaned, the disastrous action of the road salt neutralized, and Galahad has been returned to very near his original state.

The member for Glengarry—Prescott-Russell is quite right in his observation that the site, even though it was moved a metre or two away from the immediate danger of the salt and heavy traffic, remains a potentially dangerous place for bronze and stone. The decision to leave him there was not, I can assure you, Madam Speaker, a slavish adherence to a principle of heritage restoration work or done without thought. Sir Galahad has been moved in the past and, generally speaking, is not bound too tightly to the notion that statues once placed should not be moved. In leaving the statue by the side of Wellington Street, the Department of Public Works acted in full consultation with conservators, the Federal Heritage Building Review Office and the National Capital Commission. A detailed analysis by a team of internationally recognized experts in the field of bronze conservation was made just after the Diefenbaker statue was erected.

• (1720)

Their recommendation was that Sir Galahad was well protected by the restoration process and by the layers of hard wax with which he is covered. He should be left there, not forever, but for the time being, until a number of issues important to the subject are addressed.

I want my hon. friend to listen to this because I think it is well thought out. Not too long ago, at the time of the debate on a previous motion by the member for Glengarry—Prescott—Russell calling for the erection of a statue of the Right Hon. Lester B. Pearson, the former minister, Stewart McInnes, tabled a report to Parliament on commemorative statues of Canadian Prime Ministers and other eminent Canadians. In the course of the

deliberations surrounding the report the government recognized that the actual parliamentary precinct, the Hill itself, should really be reserved for statues and monuments of monarchs and parliamentarians, and notably Prime Ministers, notwithstanding that statues of others do exist on the Hill.

This is not a new idea. King had participated in the subcommittee work to find a place for this monument. He objected that it should be placed in an obscure and isolated part and fought with determination that it be located in a pre-eminent place on the Hill on the southeast lawn area. However, his colleagues at that time did not agree, not I think from any motive that would decline their respect for the civil service but because they were aware that the Hill precinct is a finite space and could easily be filled to capacity should free reign be given to unbridled political passion.

I do agree that in the matter of these historic monuments, monuments that will be seen, admired and studied by our great-grandchildren, we should avoid *ad hoc* actions that may be regretted later, however meritorious and well conceived the motion.

Almost every statue and monument presently on the Hill has been put there by a decision of the House of Commons that has had little bearing on any plan or clear thought for the effect of the object on the whole. It is, of course, the right of the House to make such decisions but perhaps not in the best interests of the future. Plans have been made in the past for the disposition of monuments on the Hill and all have been put aside in the heat of the sentiment that inevitably surrounds the proposal for the next statue or monument.

I would prefer to have such decisions made away from passion and part of an over-all plan such as that now being examined by the Board of Internal Economy. I hope my friend is aware that this has been taking place.

Another equally important consideration is the funding for all these works. I have to tell you that the Department of Public Works has been able to clean and restore these important monuments by using small amounts from the funds voted for the upkeep of the Parliament Buildings; from cash flow if you like. No funds are available that are dedicated specifically to the upkeep of parliamentary monuments.

The result of that is that although, as you can see for yourself, about half of the 20 or so have been restored, the others will have to wait. For instance, it was our hope and the hope of Public Works officials that work could begin on the restoration of the National War Memorial in 1992. We all would have liked to see this jewel of a monument that means so much to all Canadians cleaned, repaired and pristine for the 125th anniversary of Confederation. But there simply is not sufficient money at this time and the project will have to be postponed for a little while. With such scarce funds it would be irresponsible to allow work to proceed without planning.

I can, however, assure members and the author of the motion in particular that the government recognizes the proposal is valid. The Department of Public Works will ensure that the matter is not put aside and that as funds become available, the relocation of Sir Galahad will be addressed in the proper context, that of an over-all plan.

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I would just like to say a few words about the motion presented by my colleague, the member for Glengarry—Prescott—Russell, as it relates to the Harper memorial statue and its relocation.

I listened very carefully to what the parliamentary secretary said in his intervention on behalf of the government and the belief that, yes, the motion of my friend and colleague is a good one and that when there is an opportunity and dollars available, he would be in favour of looking to move this particular statue to a better location.

We are not talking about a great deal of money here. For example, just this afternoon I was reading a clipping about how Treasury Board spent $250,000 to advertise how not to pay our civil servants because of the strike.

I am not fortunate enough to know exactly how much it would cost to have this particular statue moved, but I am sure the amount is quite small, probably a few thousand dollars maximum. Not too long ago in my own hometown we moved a statue. We got volunteers to put the statue on a vehicle and move it to another location. I do not want to be partisan but I would say to the

government opposite that the argument really has no merit in this discussion.

Therefore, it would become a matter of where the statue should go. Obviously my colleague is suggesting its present location is not a good one and that it should be moved. He is suggesting that it be moved on to Parliament Hill where it would be somewhat safer. I believe that is a legitimate argument. It obviously needs clarification as to exactly where it should be placed.

I have to agree with the member opposite that statutes cannot just be put here, there and everywhere. Knowing how sophisticated and somewhat arrogant members of Parliament are sometimes, we would all want our statue left behind when we leave. It is not bad enough that we have to take our chairs with us, we would probably want to leave a statue behind as well.

I am very interested in the part of the member's motion which suggests that we dedicate this statute to the employees of the federal government for their valuable contribution to Canada.

As a labour critic and a member who is very much involved in what the workers in this place do, I think that is a very legitimate area of concern of my colleague from Glengarry—Prescott—Russell.

In looking around at this place and the different statues there are on the Hill, there does not seem to be enough discussion or enough reflection of the merits of that particular quote I just read from the motion. Maybe we too often take for granted the importance of the people who keep this place running and the importance of the civil servants across Canada who put in the extra hours it takes to make this country the great country it is.

I strongly urge the government to reconsider the fact that on the one hand it feels that this motion has merit and on the other hand it is not prepared to accept the motion and set up a committee and go through the process of moving this particular statue, putting it in its proper place. At the same time, it should also consider using it to pay homage to those individuals who have worked all their lives for their country as civil servants and those who are still employed by the Government of Canada.

I think we should go that one little step, especially in consideration of the difficulties we have been having with the public servants and the strikes and the back-to-work legislation we were involved in that was debated very strongly in this place.

• (1730)

That would go a long way to show our civil servants, the people who are working for the public day in and day out, that we care that much about them to make it a little bit of a prestigious memorial by putting a plaque on a statute commemorating their activities.

In conclusion, I wish to say I support this motion whole-heartedly. It shows that we in this place are not just thinking of ourselves as a lot of Canadians think we do. In essence, we are thinking of our public servants and we are also thinking of the past which is something that we have to be very vigilant to remember.

The past is what has got us to the point we are at today. As soon as we forget about our past, it becomes an anarchy in this country. Having said that, I would hope that the government will be prepared to accept this motion in its entirety and get on with the job.

Mr. Bruce Halliday (Oxford): Madam Speaker, I am pleased to join in this debate today on the motion of the hon. member for Glengarry—Prescott—Russell which has been added to by my colleagues on both sides of the House.

It is very fitting in a way that this motion, with the intent that it has, should arise from that particular member and colleague in the House who, as he intimated himself a few moments ago, has had the unusual and unique experience of having started work on the Hill after he left school and then moving on to become a member of the House of Commons. I am not surprised that he, of all of us, should be the one to bring forward this particular suggestion.

I also agree with him that we are not dealing with a partisan subject. However, that some of us on the government side may not feel it appropriate to pursue and support his motion is not an indication of political partisanship.

It is not my intention today to debate the merits of moving the Harper memorial statue from its present site on Wellington Street to a site on the grounds of Parliament Hill. The reasons are straightforward. They are not emotional reasons at all but rather reasons that are based more on criteria that do not exist and would allow for that at the present time.

Indeed, the regulations that govern the placement of commemorations on the grounds of Parliament Hill are very clear in this regard. They state that only Prime Ministers and monarchs be considered for this honour. I notice the hon. member shaking his head. Maybe there is room for debate there but my information is that Parliament Hill is reserved for monarchs and former Prime Ministers.

Henry Albert Harper's life is worthy of further consideration. The hon. member for Glengarry—Prescott—Russell has touched on some of it. I would like to elaborate more on that because he did see a variety of achievements in his life.

I do not believe that those achievements in themselves, those contributions, were national in their significance and therefore worthy of his statue being placed on the Hill with former Prime Ministers and former monarchs.

In fact, were the siting of a commemoration to Henry Harper to be considered today, it certainly would not qualify for the high profile site it currently occupies.

In other words, people who are recognized for such deeds of bravery are not recognized in that fashion today, although I am not attempting to take away from the fact that he was appropriately honoured in those days.

To support our position, I would like to sketch briefly the life that Henry Harper led before his untimely death 90 years ago.

When he arrived in Ottawa in 1900 to become deputy minister of the newly formed Department of Labour, William Lyon Mackenzie King encountered a number of friends from his undergraduate years at the University of Toronto. Among them was Henry Harper, a young man from Cookstown, Ontario.

While Mr. King had furthered his studies in Toronto and the United States after graduating in 1895, Harper had pursued a career in journalism. The two men rekindled their friendship when they met in Ottawa five years later.

By 1900, acting as both parliamentary correspondent and city editor for a Montreal newspaper, Mr. Harper was a natural choice for King as his assistant editor on the department's new publication *The Labour Gazette*.

Both King and Harper were deeply affected by the condition of the working poor in the industrial society. They sought in their new roles to be knights of the 20th century, so to speak: gallant, chivalrous and dedicated to the selfless service of others and their own political ambitions. Harper in fact had even placed in his room a reproduction of his favourite painting *Sir Galahad*.

During the winter months, both King and Harper devoted much of their time to prolonged reading and intense debates on the subject of chivalry. One of their favourite authors was Alfred Lord Tennyson, whose epic poem about the medieval King Arthur and his knights, entitled *Idylls of the King*, played a special role in providing them with an ideal of manly conduct.

Winter also meant outdoor sports. Skating parties were especially popular, including those organized by the Governor General and his wife, Lord and Lady Minto. Speaking of skating parties and tragedy, I recall my mother telling me years ago that she was skating here in Ottawa at the skating rink when the Parliament Buildings burned down in 1916. I could not help but recall that event when I touch now on what happened on this particular night.

Among those invited to this skating party by the Governor General were young debutantes like Bessie Blair, who has been referred to previously, one of the daughters of Andrew G. Blair, a senior member of the cabinet in the Liberal government of Sir Wilfrid Laurier.

On Friday, December 5, 1901, while acting as Deputy Minister during one of King's absences from the city, Harper went out to skate on the Ottawa River. On his way home he apparently met and joined a group of young people coming from one of the Minto skating parties near Rideau Hall. Moments later, however, the ice gave way and Harper saw two of the group fall through the ice into the freezing water.

While one young man reached safety, Bessie Blair was clearly in great difficulty and drowning. Despite pleas from others not to risk his life, Harper dived in to save her.

Their bodies were not recovered until the following morning.

Within three days of the drowning, and on what would have been Harper's 28th birthday, a large group of citizens, as was mentioned earlier, met in Ottawa City

Hall to express their desire to commemorate Harper's gallantry.

King served on the committee appointed to oversee the project and played a very active role. He proposed, for example, that the memorial should derive its inspiration from Harper's favourite painting of Sir Galahad.

King was equally active on the subcommittee appointed to select a site, which is being discussed so avidly today. Resisting suggestions to place the monument in an isolated park, he fought vigorously for a central location and preferred one on Parliament Hill in the southeast corner of the grounds. The government refused King's reports.

Although his endeavours failed, King did succeed in placing it close by: exactly on the north side of Wellington Street at the head of Metcalfe, at the main ceremonial approach to Parliament from the south.

We recognize Henry Harper's accomplishments, both as a reporter and during his brief tenure as a civil servant. We also acknowledge his bravery that winter day in 1901 when he died attempting to save the life of Ms. Blair.

We respect Henry Harper's actions, indeed his sacrifice. That is why a commemoration of Mr. Harper now stands at the gateway to Parliament Hill commanding a prestigious location in our capital.

• (1740)

An illustration in that respect is clear in the 1990 decision to remove the Sir Galahad statue for restorative work required following the long-term exposure to pollutants, as my colleague alluded to previously. A joint NCC and Public Works Canada committee subsequently decided that the statue should be replaced close to its previous location and this was done late in 1990.

I would like to remind the members however that in April 1988 a report commissioned by the National Capital Commission entitled "Capital Commemoration" recommended, and I emphasize this, that only commemorations of former Prime Ministers be placed on Parliament Hill. A program to erect statues of all deceased former Prime Ministers on Parliament Hill was approved by cabinet in September and cabinet approved Parliament Hill as the location for future statues until space no longer permits. Since there are six deceased Prime Ministers who have not yet been commemorated in addition to the statue of Queen Elizabeth to be unveiled next year, space is at a premium.

It was for those reasons that the siting of Sir Galahad on Parliament Hill was not an issue when the subject was discussed last year.

Given the memorial's current high profile, the restorative work that has been carried out, and cabinet's approval of the NCC's commemoration's policy, we do not believe that the Harper memorial should be relocated to the grounds of Parliament Hill.

I thank you for the opportunity to offer my comments on this subject.

[*Translation*]

Madam Deputy Speaker: Resuming debate.

Since nobody wants to rise, the period provided for the consideration of Private Members' Business has now expired and the item is dropped from the Order Paper.

Mr. Gagliano: Madam Speaker, if there is unanimous consent, and the parliamentary secretary on the other side can tell us that, we could proceed immediately to the adjournment debate.

[*English*]

Madam Deputy Speaker: Do I have unanimous consent to call it six o'clock?

Some hon. members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

UNEMPLOYMENT

Mr. Maurice Foster (Algoma): Madam Speaker, on October 31 I put a question to the Minister of Labour concerning the very extensive lay-offs which have occurred in the Algoma district this past year, both in Sault Ste. Marie at Algoma Steel and in Elliot Lake at the operating uranium mines there. In fact, some 2,400 workers were laid off in Elliot Lake mines last year. They

have now in almost every case exhausted their unemployment insurance benefits.

I was advised in late August that 260 of these workers were eligible for the program for older worker adjustment. It provides something like 70 per cent of the benefit that they would receive under unemployment insurance as an older worker pension from age 55 to age 64 when they become eligible for the Old Age Security pension, Canada Pension and other pensions.

The minister responded at that time, indicating that the Government of Canada, his office and his department had approved the application for these 260 workers and that the matter still had to be dealt with by the Treasury Board.

I understand that Treasury Board has now approved this and that it has gone on to Ontario and that a decision with regard to the program for older worker adjustment for these 260 workers is imminent.

I hope the parliamentary secretary, responding on behalf of the minister tonight, will be able to give a positive response to that, indicating that this assistance will be available.

Clearly in my view this is one of the best programs that the government has because often workers in the age bracket of 55 to 64 have very little chance of being retrained, very little chance of securing a job, especially when we are facing very high unemployment and very high welfare costs this coming winter with 1.5 million people unemployed.

If the minister is able to respond in a positive way and if the Ontario government has agreed to this program for some 260 workers, about 200 from the Rio Algom Mines, the two that shut down a year ago, and 60 from Denison Mines Limited, the government will be able to move rapidly to interview these individual workers to assess their needs and to be able to provide the full benefits of the Program for Older Worker Adjustment.

I think the decision by the minister is very important, not only at this time for these 260 workers but equally important for the several hundred workers who will be laid off at Denison Mines Limited some time late next spring. They would not become eligible for this benefit until their unemployment insurance benefits had run out. I am very pleased that the government here has approved it. I hope the minister will be able to indicate that he has now received approval from the Ontario government and that these benefits will flow in the very early future to these workers who face a very difficult time without APALA Program for Older Worker Adjustment, older workers pensions.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration): Madam Speaker, we moved off our schedule about 20 minutes early and our parliamentary secretary with the official response is not here. He is on his way and I would ask that we proceed with the next one. When he gets here we can respond, if that is acceptable to my friend.

EMPLOYMENT

Mr. Robert D. Nault (Kenora—Rainy River): Madam Speaker, I too rise today in order to get some answers to a particular question that I asked the Minister of Employment and Immigration on June 18, 1991.

I asked about the fact that we are looking at some sort of national retraining strategy and programs to be implemented in this country because of the restructuring that is going on due to the free trade agreement.

People in this country will know that we are in a recession and that there are some difficult times when there is over 10 per cent unemployment. There are over one million Canadians on unemployment insurance and, in essence, during the election of 1988, the first election that I ran in, we on this side of the House at least asked the government if when we put this new regime called free trade into place there be worker adjustment programs put in place in order to deal with those who would be considered to be losers under this new agreement between the United States and Canada.

During Question Period on June 18, 1991 I asked the minister if he could explain to us in detail what took place with respect to the 10,800 displaced workers in the auto industry and the 9,200 displaced workers in the steel industry. I asked whether these particular men and women were moved from this sector of the economy into a training program of some sort for those who were of the age at which it was felt to be essential for them to be retrained, to continue their employment, and not to rely on welfare or unemployment insurance for a long period of time.

As those who had the opportunity to read *Hansard* will know, the answer I received from the minister was basically that the government has 400 different programs running out there now—what more do we want—and that in essence the government is doing what is necessary.

• (1750)

If that is the case, then why is it that we and the government in particular are undertaking this new prosperity initiative, consulting Canadians on how we are going to deal with all the problems that we have in these different sectors? If we were doing such a good job with these 400 or so programs that the minister alluded to then it would not be necessary to deal with this prosperity campaign that he has mentioned and the minister of trade is now talking about, in the consultation process that is on its way now.

I would like to say to the members opposite and to the minister's parliamentary secretary in this adjournment debate that it frustrates me to no end and all Canadians, when you ask very serious questions concerning the steel industry which is in big, big trouble, and the auto parts industry which is big, big trouble with a lot of those employees.

We are not naive in this place, and neither are Canadian workers. We understand that in a global market there are going to be changes that need to be looked at. In essence what I am trying to say is when we ask that question I do not want to get the answer I got from the minister which was: "That side of the House does not understand the issue and therefore come and talk to me after Question Period and I will tell you just why it is that you do not understand".

We understand very well that we are in big trouble. The Chamber of Commerce has come out and said so, as we have said for many, many months now. The restructuring going on in our economy is going to cause severe problems for a long period of time. We need those adjustment programs and we need them now. We want them now. We want an explanation as to what effect they will have in the different sectors.

In a community like mine in which forestry is the number one employer, we would like to know if there was a downturn in that particular sector what the game plan of the government would be. I am hoping in the few minutes that the parliamentary secretary has he will just give us a snapshot of what this government is doing in order that we can tell our constituents and all employees who are frightened because of what is going on out there that there is hope and we are planning for the future and we are looking ahead to help them with their problems.

Mr. Jack Shields (Parliamentary Secretary to Minister of Employment and Immigration):: Madam Speaker, I would like to respond in greater detail to the questions placed by my hon. friend, the member from Kenora—Rainy River on July 18 on the free trade agreement.

At this stage it is really too early to come to any definite conclusions about the impact of the free trade agreement. There are encouraging signs however. Trade and investment have shown positive trends in the last three years. Exports of end products to the United States increased $4 billion between 1988 and 1990. Between 1989 and 1990 manufacturing investment in Canada rose 15 per cent. Canada's 16 per cent gain in investment and new plant and equipment was second—and I would underline this—only to Japan among the G-7 nations. In 1990 there was a net inflow of foreign investment from all countries of $4.3 billion into Canada, the first net inflow in more than 15 years.

The dispute settlement mechanisms of the free trade agreement are working very well. The free trade agreement has led to a reduced number of trade disputes and the dispute settlement mechanism and procedures which have been established will help to deal with future trade disputes as they arise.

Job losses over the past year should not be attributed to the free trade agreement. It is only one of the several factors including wage rates, business cycles and the value of the Canadian dollar which influence employment patterns in Canada. While there have been positive developments, some workers may still be adversely affected by structural adjustments taking place within the Canadian economy. These individuals can and are assisted through a wide range of general labour market programs which the Department of Employment and Immigration Canada has in place.

Madam Deputy Speaker: I see that the hon. parliamentary secretary has arrived. Would he care to answer the hon. member for Algoma at this time?

Mr. James: Has the hon. member made his presentation?

Madam Deputy Speaker: He has made his presentation as we started a bit earlier. The hon. parliamentary secretary.

UNEMPLOYMENT

Mr. Ken James (Parliamentary Secretary to Minister of Labour): Madam Speaker, I would like to thank the hon. member for his question concerning the eligibility of workers under the Program for Older Worker Adjustment who have been laid off due to work force reduction at the Rio Algom Mines and the Denison Mines in Elliot Lake. The government is aware of this very difficult situation and is very concerned about it.

These are trying times in the north. The decision taken by Ontario Hydro to cease purchasing uranium from northern Ontario has had a very negative impact on its economy.

The Program for Older Worker Adjustment is a federal—provincial program which applies to those older workers who have been permanently laid off.

I am very pleased to inform the House and the hon. member from northern Ontario who is very concerned that today the Governments of Canada and Ontario announced the designation of the lay-off at Rio Algom and Denison Mines in addition to 20 others as being under POWA. The job has been done and I know he is very pleased. What a timely day to make this announcement, as many as 260 older workers in the Elliot Lake area may be eligible to receive benefits.

I would like to again announce that at the earliest opportunity the government will inform the workers affected of the decision. The designation has been made and a decision on the eligibility of the older workers will be made.

With respect to the number of lay-offs, I would like to announce that the committee will be visiting the community in the very near future. Officials will be interviewing the older workers to determine their eligibility. As the member knows, workers are eligible once unemployment insurance payments have ceased.

We would like to thank him for his interest. I know he looks forward to the interviews and designation of the older workers so they can receive funding under an annuity program purchased from the private sector.

We are very pleased as a federal government to have acted on his concerns.

[*Translation*]

PAPER INDUSTRY

Mr. Alfonso Gagliano (Saint-Léonard): Madam Speaker, on September 27 of this year I rose in the House to ask the President of the Treasury Board what he intended to do to help an industry in crisis, namely the paper industry.

During my intervention I asked the minister to review his monetary policy in order to give a break to the 400 employees laid off by Donohue Matane Inc. The unemployment rate in the Matane area, in the province of Quebec, exceeds 25 per cent. Needless to say, those 400 lay-offs are not what the region needs. We could do without them.

The Minister of Forestry told me, and I quote from the *House of Commons Debates* of September 27:

> It is tragic of course that a new mill like this, as well equipped as it is in technology, should not have overcome its initial start-up period.

That is what the minister had to offer to those 400 employees who were laid off. I agree it is tragic, but something has to be done to stimulate the demand for those products.

The minister knows full well that Canada is a natural resources exporting country. Unfortunately the absurd monetary policy of the Conservative government destroys a demand already weakened by the recession.

Liberals are not the only ones who say the monetary policy of this government affects not only the paper industry but all Canadian industries. The Conference Board of Canada predicts that our export sales will decline by 1.6 per cent and states that a strong dollar makes our products like softwood lumber less competitive abroad. This is borne out by the fact that Canada posted its first trade deficit in 15 years. We learned the bad news yesterday. We heard today that the Canadian Chamber of Commerce criticized this government's monetary policy. The facts are quite simple. A strong dollar is destroying the paper industry and all other exporting industries in Canada.

The minister said that the Matane mill, which is modern and well equipped, should survive the recession. But not so. A few weeks ago we read in *La Presse* that the net consolidated sales of Donohue were $19.4 million lower than the year before.

I will conclude by repeating my question: Does the minister know what his government intends to do to help out, to salvage our Canadian paper industry, and to counteract this considerable decline in our export sales?

[*English*]

Mr. Bill Kempling (Parliamentary Secretary to President of the Treasury Board and Minister of State (Finance)): Madam Speaker, the question posed to the minister regarding the value of the Canadian dollar has been in front of the House for many days. Unfortunately some of the industries involved in exports seem to think that lowering the Canadian dollar will solve all their export problems. If we do that we will create a lot of import problems and we could create further problems for the debt we have at the present time, much of which is offshore.

There are great pressures on the Canadian dollar. The Bank of Canada can balance some of them in the short term. However, in the long term you cannot do anything more than allow the free market to work. That is what is happening today. Today, the Canadian dollar is at about 88 cents, down a little bit.

Look at the pressures on the dollar. Municipalities across the country, large municipalities, borrow offshore. Provinces borrow offshore. Large corporations which say that our bank rates are too high issue treasury bills on their own or borrow money offshore. That places pressure on the Canadian dollar. For years the Government of Canada encouraged provinces and municipalities to borrow offshore rather than place extra demands on the very limited investment capital in this country that results from our small population.

We feel that the dollar is going to come down. However I have to say quite honestly that if I were running a business today, which I am not, I would not base the success of my business on the level of the Canadian dollar. That is not a good way to do business. In the short run we could perhaps cause an order here or there. However, in the longer run we are better to work to keep inflation down, keep interest rates down and improve productivity in this country. That is a much better way to go about it than to impose a fixed rate of exchange on the Canadian dollar, for example.

The hon. member is a certified general accountant, or at least I believe he is. He knows the financial situation quite well and is very familiar with it. I can understand him wishing to speak on behalf of his constituents in the paper industry. The paper industry is under a lot of difficulty today and we can see some bright spots down the lane for it. However, we do not think that the solution is to fix the Canadian dollar at a lower rate.

EDUCATION

Mr. Mac Harb (Ottawa Centre): Madam Speaker, on October 11, 1991 I asked the Secretary of State a question about Canada's educational situation concerning government funding. At the time the minister said that on a per capita basis we spend as much or more than any other country. Then the House leader stepped in and said that as a percentage of Gross Domestic Product Canada is second only to Sweden. The Secretary of State replied by saying: "absolutely".

The fact that he mentioned we were second to Sweden triggered a need for a little research in my mind. I have the report published this year by the National Science and Engineering Research Council of Canada. In it there is a graph comparing Canada to seven countries around the world. The report starts by stating that: "International comparisons show that Canada's spending", on research and development only, "is one of the lowest of major industrialized countries". In fact, it does compare spending as a percentage of Gross Domestic Product. It goes as follows: Sweden, 2.93 per cent; United States, 2.83 per cent; Japan, 2.78 per cent; Germany, 2.71 per cent; United Kingdom, 2.42 per cent; France, 2.33 per cent; and Canada, 1.38 per cent.

As you can see, Madam Speaker, statistics which were published and accepted by the Government of Canada show that Canada is nowhere to be seen when it comes to spending on educational elements such as research and development.

The government's record of last year alone shows there has been a cut of $485 million for education in its latest budget. The contributions to training have

dropped by 4.6 per cent this year in spite of an over-all increase in government spending of 4.3 per cent.

As a matter of fact, between 1986 and 1994, the government eliminated $9.5 billion in transfer payments to the provinces. According to the latest statistics, by the year 2004 absolutely no federal funds will be going toward education and to the provinces in transfer payments.

While federal funding for education has been decreasing, student costs have been on the rise. Looking at post-secondary education, for example, Statistics Canada reports that Ontario tuition fees alone have increased by 53 per cent since 1983-84.

Likewise the cost of living has increased. On top of the cost of living, the federal government has introduced a 3 per cent tax on student loans and has applied the GST to books. This has added hundreds of dollars to many students' financial burdens and hit hardest those least able to afford to pay for their education.

I am here to ask the government: Would you please, members of the government, clarify to the Canadian public how you can say on one hand that we are on the leading edge when it comes to spending on research and development and, on the other hand, we have a tremendous number of cuts in areas such as education and transfer payments?

[*Translation*]

Mrs. Suzanne Duplessis (Parliamentary Secretary to Minister for External Relations and Minister of State (Indian Affairs and Northern Development)): Madam Speaker, I know the hon. member for Ottawa Centre is concerned about education and I wish to assure him that I am too, because before I was elected to Parliament I was a teacher.

Contrary to what the hon. member suggests, Canada plays a leading role because it is clearly determined to promote excellence in education while respecting provincial jurisdiction. As the Secretary of State said, we devote a larger percentage of our GNP to education than most countries do. Canada comes second for the proportion of young people registered in post-secondary educational institutions, right after the United States.

To help us remain in the forefront of human resource development, the government recently announced the prosperity initiative, of which education is a key element.

Regarding the last part of the hon. member's question, I would like to say that the government has not cut funding for post-secondary education. We froze spending in order to control the national debt and we are proud of our success in this field. Moreover, although we had to limit transfer payments to the provinces to do so, the total funding available for post-secondary education continues to increase.

Thus assistance for post-secondary education under Established Programs Financing rose by $80 million in 1990-91 and $70 million in 1991-92, to reach nearly $6 billion this year. Of this total, about $2 billion is in cash. Total transfers are to increase to reflect population growth in future years.

In conclusion, in addition to providing financial aid to the provinces and territories the federal government is increasing its direct support for higher education through programs like funding for the University Research Council and the Canadian Student Aid Program. In all, it is estimated that about $2 billion will be given in direct support in 1991-92.

• (1810)

[*English*]

FORESTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I rise tonight to pursue some questions I had asked of the government regarding the completion of the signing of a very important forest agreement between the Government of Canada and the province of Nova Scotia. In fact, back on March 26 of this year I asked the forestry committee of the Minister of Forestry when that agreement would be finally signed. The minister said at that time that he had a good fix on the Nova Scotia situation; the funds had been identified and he did not anticipate a delay.

Later in the year on October 28 in the House I asked the minister when he would be able to sign this important agreement. He answered on that date that he would be able to sign the new agreement as soon as a date could be arranged.

Our staff has consulted and checked with the Government of Nova Scotia and as of Tuesday, in any case, there has been no indication from the Government of Canada as to when the minister would actually sign this particular agreement. It is very important that he does.

I hope when the member responding from the government side comments on the importance of this agreement, he can give the commitment that the minister gave some nine months ago that an agreement would be signed at any time. I hope the member responding can tell us when the minister is going to sign the new forest agreement with Nova Scotia.

[*Translation*]

Mr. Jean-Guy Hudon (Parliamentary Secretary to President of the Queen's Privy Council for Canada and Minister responsible for Constitutional Affairs): Madam Speaker, I am pleased to be given this opportunity to address this House on our achievements in the area of sustainable forestry in Nova Scotia.

As you may know, the agreement was negotiated in two phases in Nova Scotia. The first phase saw the signing of a two-year, 1989-1991, interim agreement, the Canada-Nova Scotia cooperation agreement for forestry development, 1989-1991, CAFD I. This interim agreement had a major impact in two very important areas. First, it was instrumental in building upon the momentum established through previous forestry agreements. Second, it represented a new beginning toward more integrated and sustainable forestry development.

Twenty-four million federal dollars, 55 per cent of total $45 million agreement was invested in the Nova Scotia forest sector in key areas of forest management, applied research, development and technology transfer, and communications and education.

The two years saw us maintain annual silviculture targets needed to sustain a healthy and diversified forest sector. Over 11,000 hectares of silviculture, 4,000 in planting, was accomplished on small private land alone. Research projects into the environmental impacts of forestry operations have been initiated. Better availability of forestry data has been made in education and training.

Since the termination of CAFD I, key programs have continued, thanks to interim funding provided by the province. I wish to assure hon. members that the new agreement incorporates these funds spent by the province.

I am pleased to say, however, that we will not have to rely on provincial funds for much longer. All that remains for the signing of a new agreement is to arrange a suitable date.

[*English*]

I am pleased to say, however, that we will not have to rely on provincial funds much longer. All that remains for the signing of a new agreement is to arrange a suitable date.

There is great enthusiasm surrounding the programming and direction of this new agreement. It is a four-year deal, from 1991 to 1995, and will see continued implementation of Forestry Canada's principles for sustainable forestry development.

An appropriate date for the signing of this agreement is being negotiated, and rest assured this new agreement will embrace the concepts of sustainable development.

[*Translation*]

Madam Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly this House stands adjourned until tomorrow at 10 a.m.

The House adjourned at 6.11 p.m.

HOUSE OF COMMONS

Friday, November 22, 1991

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

FEDERAL REAL PROPERTY ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-3, an act respecting the acquisition, administration and disposition of real property by the Government of Canada, as reported (with amendment) from Legislative Committee F.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved that the bill, as amended, be concurred in.

Motion agreed to.

Madam Deputy Speaker: When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Loiselle moved that the bill be read the third time and passed.

He said: Madam Speaker, it gives me great pleasure to lead the debate on third reading of this bill.

Bill C-3 is the cornerstone for a new regime of real property management by the government. This new regime will improve services to the public. It will improve internal government efficiencies and it will bring real property conveyancing by the government into the modern era.

I would like to take a few moments to summarize some of the main features of this bill. First, Bill C-3 is designed to be the primary authority for real property transactions by the federal government. The existing legislation in this area no longer creates a unified framework for real property transactions. Bill C-3 would consolidate the three main real property statutes into one act, with one framework and one set of rules.

Second, Bill C-3 would simplify and modernize real property management and conveyance practices by the government. The current statutes have been essentially unchanged for some time and do not allow the use of modern real property methods or practices. Even a transaction involving a small piece of property can take much longer to complete than would be normal in the private sector. Bill C-3 would improve this situation.

This bill would also permit the use of conveyancing practices commonly used within the private sector, thus making it easier to deal with the federal government. We will be able to carry out a real property transaction in a province in a way familiar to the people of that province. This will make transactions by the government not only more efficient but also simpler and more understandable by the public.

Bill C-3 has been designed so that it would not affect real property governed by special program legislation such as the National Parks Act or the Territorial Lands Act. Bill C-3 is a residual statute and its provisions would be overridden by specialized legislation.

Finally this bill would clarify the role of Treasury Board to manage more effectively real property conveyancing. It would verify the role of custodian departments to undertake real property transactions more effectively and it would finally clarify the role of the Department of Justice to ensure quality control in transactions. Real property managers in the government will be given more direct responsibility in real property transactions and will be held accountable for the results.

In conclusion, I believe this bill will lead to both increased efficiency in government operations and improved service to the public. I would like to thank members of the House for their co-operation on this bill and request that the bill be passed.

Mr. Mills: Madam Speaker, I wonder if the minister would permit a short question on this bill before my colleague begins to speak.

Madam Deputy Speaker: That would require consent of the House.

Some hon. members: Agreed.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, this is a complex bill. It is a technical bill. I confess to the minister that I do not understand every aspect of it.

My concern about this bill is this. Who would ultimately have the final say on the disposition of property assets of the government. Does this bill basically put a more dominant position to the Treasury Board and the Treasury Board minister, or does it decentralize the disposition of lands and give the line departments that may have land as assets the individual capability to do these dispositions on their own?

If that is the case, my concern would be who or what mechanism is in place that would audit and make sure that in the disposition of Crown land or Crown assets the taxpayer is getting fair market value. For example, if I decide to sell a piece of real estate, and I am not sure of its value, I get three independent appraisals to make sure because I am not an expert in land that the real dollar value is there.

Could the minister please take a couple of minutes to explain that to me?

Mr. Loiselle: Madam Speaker, I thank the hon. member for his question. It is a very vital and a very central question to this bill.

In the past Treasury Board has played a very centralized role, and part of the problems we had in managing these areas throughout Canada was that everything had to go through Ottawa.

The purpose of the bill is indeed to decentralize it. Treasury Board maintains of course its over-all responsibility but sets the pattern according to which these transactions have to be executed and stipulates the methods that will be used to judge the results of the transaction and precisely the kinds of interrogation the hon. member had. Therefore this bill is a considerable improvement.

We feel that we hire good managers in the regions. There are rules in this bill whereby the departments are finally responsible for the land or property. They have to offer it first if it is not used for their own policy reasons to the provincial government, then to the municipal government, and eventually to the general public.

Rules are set. These are guidelines, but decisions are taken in the regions and the proper procedure of going for bids and so on and so forth is fully respected. Basically we are going, apart from some restrictions to give the first go at it to the other governments, with the best methods used in the private sector.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre): Madam Speaker, after our short meeting in committee, we were readily convinced that changes were necessary in the way the federal government sells and disposes of property. When I was a member of the Quebec National Assembly, I found that when letters patent had to be transferred, we had to wait months and months because of the research involved. It was very frustrating for people to have to wait so long, all because of a lot of what I would call red tape.

As my colleague from Toronto pointed out, this is a highly technical bill, and we certainly do not claim to know every aspect of this legislation. I spoke with the minister's senior officials who were very knowledgeable, but there is a limit to what one can explain and absorb.

It was explained to us that these changes had been made in several Commonwealth countries and that we had to take advantage of the latest developments in communications and information processing. I am sure the department was right to propose these changes, but I would like to point out that the Auditor General makes annual reports, and many people are concerned about the way the government is proceeding. Some people feel their rights have been violated. Here in Parliament our role is above all to ensure that everything is transparent. Not only must everything be transparent, it must be seen to be so.

[*English*]

On this particular part I would like to know the minister's opinion and if the officers of his department could look into it.

The final area of concern has to do with the lack of an effective oversight mechanism under the bill that would ensure all transactions involving a federal real property were in fact above reproach.

In this regard some have called for the establishment of a central depository where all instruments used by the federal government for property transfers and acquisitions would have to be deposited and would be open to the public. If a depository of this nature were established, information on property transactions would be readily available and would thus guard against the types of questionable deals that are still routinely uncovered by the Auditor General of Canada in his annual report to the House of Commons.

What I am asking the minister is: there must be a mechanism whereby we could avoid where humanly possible 99.9 per cent of the problems that could arise concerning the transparency of the operations. That essentially is the only criticism that I can make of the whole thing.

Like I said, it is a highly technical bill. We cannot pretend that we know every aspect. It is impossible.

An hon. member: Explain transparency.

Mr. Assad: Like my colleague mentions, can the minister explain how he sees the transparency of this bill as it is now? I am sure he would be open to a few suggestions from his department—they are very knowledgeable people—to assure everyone that all transactions would be literally, if humanly possible, above reproach.

[*Translation*]

Madam Deputy Speaker: The minister does not have to reply, since this is third reading, and usually there is no provision for questions and answers. However, if the House agrees and the minister wishes to answer the question, of course the Chair cannot object. The President of the Treasury Board.

[*English*]

Mr. Loiselle: Madam Speaker, I think that the hon. member indeed raises a very valid question.

We have to take it for granted that we expect this process to be above board and not to lead one to believe that all kinds of deals can be made. It is going to be a very open process. The hon. member knows what was explained in committee.

• (1020)

We are proceeding to organize a better report mechanism. There are thousands of small transactions to be taken on. Still the member raises a very valid question. One must have access to the information. It must be made available as readily as possible so that people can satisfy themselves that these transactions have been open. We will have directors of real federal property management who will set up these systems so that we will have the best possible available information in the quickest possible time.

The process changes we bring with this bill will make it much easier for members and for anybody else who needs access to have access to these transactions. They will be much more open. The process will be much more public and the rules will be well known. They will be regionally open so that should any problem arise at the regional level, instead of having to go through Ottawa which is very costly for many of our citizens, they will have access regionally and eventually nationally, of course, inasmuch as we can physically to it.

We have also explained that to get all of this we will work together. It may take some time to centralize it. We have to see the *rapport qualité– prix*. It is a very costly enterprise.

The principle is that these transactions are open, accessible and of course are dealt with at market value, apart from arrangements that are made with local municipal or provincial governments. Even then our policy is to get the real value. There are occasions, as we have experienced in committee, where for local regional development reasons, we may make another arrangements. That again is public.

Mr. John Brewin (Victoria): Madam Speaker, I rise to put our party's position on this bill. I am doing so as much on behalf of the hon. member for Sault Ste. Marie who has been our spokesperson on this bill from the beginning as myself. He is unable to be here today but did not want to delay further disposition of this bill on that account and has asked me to speak to it.

I may say that the hon. member for Sault Ste. Marie particularly asked me to congratulate the minister and his officials, as well as the members of the committee, for some very effective work in coming up with solutions

to some of the problems that concerned him and concerned our party. We are very supportive of the open attitude that the minister has taken in this particular bill.

Originally we had some concerns about the discretion which the bill gave to the Governor in Council, to the cabinet. The government responded by accepting an amendment to section 4 that would have the effect of limiting, to some extent, the authority or direction of the Governor in Council to opt out of the provisions of the bill. That amendment was originally proposed by the member for Sault Ste. Marie and he is very happy that the government has accepted it.

In the committee, the minister and officials made a number of commitments that are also important to the effective operation of the bill and to the point that has already been discussed in debate. We are concerned that federal government property transactions should be completely open and above board and that the public should understand what is happening with respect to federal properties. Very specifically, as I understand it and the minister I hope can confirm for the record of *Hansard*, that Treasury Board will only recommend an Order in Council under clause 16(1) in two situations; first, if the transaction is possible under the regulations, but a minister feels the authorization of the Governor in Council is more appropriate or second, if the transaction is not covered by existing regulations. These points of policy by Treasury Board are very important and very useful and they assist us in giving the support which we do to this bill.

The minister made a further commitment to a communication campaign to ensure that the public is aware of the accessibility and availability of a directory of federal real property. I understand it should be ready by the end of the year. This means that approximately 25,000 to 30,000 properties will be listed along with basic descriptive data, the location, use, size, responsible department or corporation and that the campaign will include the distribution of the directory to various federal offices across the country, so that the public can have access to it. The government is offering to provide the directory to all of the land registration offices in Canada for public access and as well, as has already been referred to by the minister, the finalizing of a central inquiry system to respond to requests from the public for information from the directory. This inventory of federal land will at least be available now so that the public will be aware of what federal lands there are.

I think the next step in the process, and again the minister has mentioned this, will be for the transactions themselves to be open so that the public can see that the dealing with federal government lands is entirely above board. We certainly acknowledge and support the efforts of the minister's department and Treasury Board to proceed effectively in this direction.

Having said that, I can then make the point that on the understanding of these commitments from the minister, our party is pleased to support this bill as a useful step forward in simplifying and making more modern federal land transactions.

Let me not finish without making one other point. It is a point which I made during second reading. I would encourage the minister to put this on his agenda for the next step in dealing with federal property. I know to some extent this is happening in any event with the inventory, but the point is this.

The federal government over the years has accumulated large parcels of property. In many cases the original purpose for the acquisition may have passed or the use of the property may have changed. There are new needs in our communities across Canada for land, particularly in urban centres. I am very conscious of my own constituency of Victoria, where there are a number of parcels of federal land which could serve very well in a new way: social housing and parks, for example.

Indeed, the Department of National Defence, as I referred at second reading, has a large parcel of land in an area called Rocky Point. It needs some of it but it is very hard for us in the area to imagine within its lifetime ever needing the rest of it. The department of course is going to say: "Oh yes, we may need this". It seems to me it is a function of Treasury Board to challenge the proposition that this land is needed and further, that there be built into this by Treasury Board some form of public consultation to identify this type of land.

The federal government generally, and particularly when it gets into the outer reaches of this country, in far-flung places like Victoria, the decision makers in Treasury Board are not as sensitive or aware of this. If there were some form of public process which would

permit Treasury Board to consult the public to identify possible land in an area that might be put to other uses, it would then permit perhaps even some form of public review which would require officials such as in this case, the Department of National Defence, almost publicly to defend or justify the use of their plans for the land. Then we may begin to move into much more efficient and effective use of government land.

Government land is an important heritage. It cannot be squandered quickly at some bright idea on a given day. With that caveat there are lands which can be used much more effectively than they have been. It would be very important that the government be prepared to do that.

There is one other caveat. There will be situations, and again I can think of one in my own constituency, where the federal government cannot use the land but other local public authorities can, for fundamentally the same purpose that the federal government may wish to use it. That may be an example where Treasury Board should not be insisting on full market value for land but should be prepared to acknowledge alternate public uses as something that the federal government is prepared to contribute to and would like to see some assistance in.

• (1030)

Therefore, with those extra comments I would repeat that our party is prepared and happy to support this bill. We congratulate the minister and all members of the committee for the work they have done on this. This bill is better for it. It is a good example of how this Parliament can work when it puts its mind to it.

Mr. Loiselle: Madam Speaker, I would like to thank the hon. member for his very positive comments. I believe that this bill has, indeed, been improved by the work of both the Liberal opposition and the NDP and it has shown, as the hon. member has indicated, what this Parliament can do.

This is a very, very difficult, complex bill and with the permission of my colleagues I would like to thank the people of Treasury Board who have been working on this. This is a very difficult issue. They have been working at this for years and they have come up with what I think is probably the best bill possible to manage real property in the public environment. I think they deserve to be complimented for this work.

As for the commitments which were made in committee, I am glad to confirm that these commitments are there and we will abide by them. As far as making better use of property, particularly in urban areas, we are working on that very actively. Indeed this is a responsibility. We have to make sure that the land which is owned by Canadians is put to the best possible use. I am glad to report that we are already working on major projects in the British Columbia area as well as in the Toronto area.

These local authorities are frequently faced with very heavy pressures and it is our duty to co-operate with them whenever we can. Through good management of our real property, we can do that.

I would like to thank all the members for their co-operation, the civil servants who have worked on this difficult bill and for the support they have given us.

Mr. Brewin: Madam Speaker, I guess what I am doing is replying to the comment, if I have the procedure point at hand. I suppose I should permit the minister to have the last word but that comes very difficult to me and I will not do it.

First of all, I would just like to see if I can have the minister speak to one point. I wonder if we can have unanimous consent when I have finished for the minister to reply to a point which I should have put in the form of a question. I can now be quite specific about it.

The member missed an earlier dialogue, so we are playing a little loose here because we think we are going to finish this very quickly.

The question I had on my mind was this. Not only is there the kind of situation I referred to in general, of the federal government when it did not need its land, being prepared to transfer it to local authorities for less than market value. My suggestion is that it should be seen as a different case than the transfer to private uses and in that context that Treasury Board should be prepared to consider, in effect, a public contribution or take into account the public use in assessing the value.

I wonder if the minister could indicate whether there has been any thought given to Crown corporations and, specifically, the post office in this respect. We know that across Canada a number of post office buildings are being disposed of by Canada Post. Is it the policy of Treasury Board to consider the disposition of these properties at lower than market value or even for $1 provided they remain in public use.

I would also like to pay particular tribute to the work of the member for Sault Ste. Marie who worked very hard on this bill and made a very positive contribution to it.

Madam Deputy Speaker: I would like to explain to the hon. member for York South—Weston that we are in a situation right now where things are totally reversed. The hon. minister was making comments after the intervention by the hon. member for Victoria. As we had House consent earlier and the hon. minister did answer questions after his speech, I think it would be only correct to allow the hon. minister to ask a question after the hon. member for Victoria spoke. There should be time for me to recognize the hon. member on a brief question which should be addressed to the hon. member for Victoria.

Mr. Loiselle: Madam Speaker, we have a responsibility as managers of this land for Canadians that we get the best possible value. Special cases can always be looked at. However, we generally work together with the authorities to achieve the best possible use, especially in urban areas. Our policy is always to get the best possible market values. However, there are occasions when other arrangements are made.

As for the government, whenever it wants to have access to new buildings it must pay the price. It has to manage that in a balanced way.

We examine each case as to its value and will try to be as helpful as possible given the very limited resources we have.

Mr. John Nunziata (York South—Weston): Madam Speaker, I would like to ask a general question about the disposition of publicly owned land or publicly owned assets.

We know that the provincial NDP government in Ontario has sold the public interest in the SkyDome. The taxpayers of Ontario had an interest in the SkyDome. It was revealed this week that the proceeds of that particular sale would be used to reduce the deficit. In order to accommodate some fiscal responsibilities that the provincial New Democratic Party self-authored it is selling off public assets. The treasurer of the province of Ontario has indicated that it is appropriate to sell off assets—

An hon. member: At one-seventh the value.

Mr. Nunziata: —at one-seventh the value, as my friend from Broadview—Greenwood indicates, to deal with a short-term financial problem.

Does the hon. member for Victoria agree with his comrade, Bob Rae, in Ontario that the selling of publicly owned real estate is an appropriate way to deal with short-term fiscal responsibilities? Can he indicate whether this bill deals with where the money should go once public land is sold? Is there anything in here that would restrict where the money can go after a publicly owned asset is sold?

In my view it is wrong. It is penny wise and pound foolish to sell off real estate or assets to deal with some short-term financial problem. Once you sell it, and if you sell it at a loss as the provincial NDP government is doing with the SkyDome, it is gone forever. We all know that real estate only appreciates in the long run.

Does the member for Victoria agree generally with the concept of selling off the family assets to deal with a short-term financial problem?

Mr. Brewin: Madam Speaker, the hon. member for York South—Weston maintains his reputation for managing to interject into a non-partisan and useful discussion of a bill a very highly partisan point that arises in a different jurisdiction.

The member says this is not a tea party. I understand that and I understand the member trying to score a point in Ontario politics. Perhaps he would prefer to be a member in the opposition of the Ontario legislature than to be a member of the opposition here.

• (1040)

The Ontario government is trying to deal with the terrible mess left in Ontario by the Liberal government of Ontario. The Liberals left a huge, huge deficit and failed to deal with the festering sore of debt on the SkyDome. The Government of Ontario moved efficiently and effectively to deal with that. It has cut the losses.

It is a very good deal for the people of the province of Ontario, one I am sure they are grateful for.

Mr. Dennis Mills (Broadview—Greenwood): Madam Speaker, when I got up this morning and headed to the House I actually had no intention of speaking, although I was feeling pretty good because this is the first day of the last year of this government's tenure. It is the first day. It is the beginning of the last year. The people of Canada should be reminded that this is the last year of its mandate. The people of Canada will be happy to be reminded that if we on this side of the House get constructive alternatives together and start putting them forward in less than a year we will have the opportunity to restore some hope and some pride in this country.

Then in my office I read parts of Bill C–3, an act respecting the acquisition, administration and disposition of real property by the Government of Canada. I know that all of us were in support of this bill, but as I started to reflect on what is really going on in this bill I became concerned. I do agree that anything we can do to make the operations of the Government of Canada more efficient should be supported. I am in total agreement with that aspect of the bill.

There is another aspect of this bill which disturbs me immensely. It concerns me that in one year, with the support of this bill, it is possible that there will be no Crown land assets left. When we think of the history of this Conservative government and its philosophical approach, which has basically been one of retreating from governance and decentralizing the national thrust, we can see the danger that exists in this bill.

I think of my own city of Toronto and the way that this government has disposed of Harbourfront lands, has disposed of Terminal 3 at Pearson International, and of the disposition of the CBC lands. This is a bill that is going to make the developers of every region and every city of Canada ecstatic.

As a result of this bill if a line department has a Crown asset, a land asset, which does not meet that particular department's needs, at that time the department will have the ability to put that land basically out to tender. I understand that the minister was very specific. It could sell this land with three independent bids. That is fine, and that would be the end of it. That is not what government is all about. We do not run this country by line departments. It may be that the railway lands of this country are no longer of any use to the railways.

As a result of the way this government has dismantled our national railway system the lands do not have the same value any more. That does not mean that those Crown lands could not have a value and a purpose in some other strategic plan or over–all objective to serve the people of Canada.

That is what concerns me. In the process of the government's dismantling and privatizing of our national postal service there may be a post office that may not serve any particular purpose for the post office so it says: "Let us sell it off".

We know that in the past those Crown assets could have been used for other over–all objectives. What concerns me about this bill is that when they decentralize and sell off these Crown lands the over–all national objectives are not being met either. There is not the analysis to determine whether these land objectives can really be served.

That is what bothers me about this aspect of the bill. I repeat: Who could oppose any initiative to make the Government of Canada more efficient? I am in total support of that aspect of the bill. I cannot believe that there will not be moments when line department objectives may not meet the over–all strategic objectives.

We could find that we sold off a piece of land and then 10 years from now we may say: "Why did we do that? We could have used it for parkland. We could have used it for public housing. We could have used it for some other use".

An hon. member: For burying this government.

Mr. Mills: I do not know if we would waste good Crown land on burying this government.

There are dangers with this bill. The dangers are that this bill is in the hands of a government that loves to decentralize, does not believe in national programs and does not believe in an over–all national objective.

I give a warning to the government and the minister who I know is an efficient operator. He should realize that he has to ensure that before the Treasury Board

office allows property to go there should be some kind of mechanism.

If a line department wants to sell a piece of land it should go through a process to examine other objectives of other departments. In other words, it should be similar to the way one would waive a hockey player from the NHL to the minors. Teams have to make sure that no one else in the same league has use for that particular hockey player. It should be the same thing with Crown lands.

We should not allow this, whether by the post office or Public Works. Public Works traditionally is asked by line departments: "Listen, whether I am in the environment ministry or in Transport Canada, go out and acquire a piece of land for me or build a building for me". When the object of the particular line department is no longer met, rather than just disposing of it right away we should not only check to see if there is some other short-term use, but also if there is any potential long-term use. I think that we have to put in some kind of a mechanism that could inhibit some of the possible abuses that may occur.

• (1050)

Mr. John Nunziata (York South—Weston): Madam Speaker, with your permission I would like to put the same question to my colleague that I put to my friend from the New Democratic Party. It is with regard to the concept of selling off the family jewels. In this case federally owned Crown assets are being used to plug some loophole or some problem regarding the deficit or the government's fiscal responsibility.

I do not believe that is an appropriate way of dealing with the disposition of federally owned assets. In other words you do not sell off federally owned assets in order to assist when you have a deficit in a particular year. We know that the treasurer of the province of Ontario has indicated that selling off assets in order to reduce the deficit is an appropriate thing to do. Reducing the deficit is a one-time phenomenon. You reduce it once and that is it; you are into the next fiscal year.

The question to my hard working friend from Broadview—Greenwood is: Would he agree with the treasurer of Ontario's philosophy in terms of the disposition of publicly owned land?

Mr. Mills: I thank my colleague from York South—Weston for his question.

I have absolutely no argument with the private sector which is out to try to get the best deal it can for its shareholders and to meet its own objectives. I guess we have to give the SkyDome consortium full marks for its negotiating skill with the NDP treasurer of the province of Ontario.

I cannot believe the Toronto newspapers have not given this more coverage. If this was the Conservative government doing this deal there would have been story after story, day after day. I cannot quite figure it out. Because the NDP is doing it, it seems that most of the journalists are staying away from it.

However the people of Canada should know the facts. The facts of the matter are that the land upon which the SkyDome stadium sits was basically the national government's contribution to the domed stadium through CN. Today most experts would say that contribution was in the neighbourhood of $100 million. On top of that we have an asset that cost the taxpayers of Ontario $550 million. That would make our domed stadium worth approximately $650 million.

What the NDP treasurer of the province of Ontario did was take this public service facility and sell it to the private sector for $100 million in cash and a debenture of $200 million which is deferred for 20 years. That is it and it is not even interest bearing. Where is the benefit for the province of Ontario's treasury?

It looks good on paper because a piece of paper has been shuffled from the province of Ontario's treasury books and put into another column. But the province of Ontario has basically given away its ability to have any influence or any exercise in the management of that piece of property. I say to my colleague from York South—Weston that the problem in that deal is not with the private sector operators. God bless them. They took the treasurer of the province of Ontario to the cleaners.

The problem is that the domed stadium was an instrument to provide tourism jobs for people who come to our baseball games, our football games, our tennis tournaments, our trade shows and everything else that we bring to Toronto.

If the private sector is allowed to push up the price of hot dogs in an unregulated fashion and push up the price of beer because it no longer has the province in there considering the tourism objective then all of a sudden the policy objective of that domed stadium goes right out

the window because the business of business is to make money. My former leader said this repeatedly.

The business of government is to look after the people at large. The NDP made a serious mistake in giving away its ability to use that domed stadium as a public service policy instrument. If journalists ever take a close look at that deal they will find it is the biggest sham since this country's railway was built.

Mr. David Barrett (Esquimalt—Juan de Fuca): Madam Speaker, listening to this debate on federal legislation and hearing my colleagues in the Liberal Party attempting to rewrite history is more than I can stomach.

It is one thing to play a little politics in this House. It has been known to happen. It is another thing to play a little partisan politics. That is known to have happened. But to play fast and loose with the facts is more than I can handle on an empty stomach on this occasion.

An hon. member: Your stomach is never empty.

Mr. Barrett: It certainly is after I have listened to you people. It is a threat to my digestive system and future meals.

It was a Tory government under Premier Davis that launched the stadium. It was an absolutely dumb deal, d-u-m-b. The financing from the very beginning was a scam by the private sector that walked away with an incredible deal right from the start. We agree on that. It was the Conservatives who got scammed in the first place. Shame on them.

Far be it for me to raise that on this nice quiet morning. After they made a dumb deal, and on a stomach emptied by the last speech, it was compounded by the Liberals who did not tell the truth about their financial situation going into the election in Ontario.

My only complaint is that Bob Rae was too charitable being the Christian that he is. He should have called in the accountants to check the books. He would have discovered that the people of Ontario had been lied to about the deficit and about the budget overruns and about what was happening with the stadium.

Who am I to raise all of this publicly? It is not my intention to embarrass—

Mr. Mills: Madam Speaker, I rise on a point of order.

Mr. Barrett: Oh, so now the member has a point of order.

Mr. Mills: Madam Speaker, I do not ever want to claim that I have the parliamentary expertise of the hon. member from Esquimalt—Juan de Fuca, but I am not sure that one can call people liars. I think we better check that.

Madam Deputy Speaker: The Chair has been wondering for the last little while about the relevancy of debate at this time in considering the bill. At first it started very innocently. I see the hon. member for York South—Weston not even looking at me. I would let it go, but I think we should be careful and keep it as much as possible relevant to the bill which is in front of the House. Because there was a lot of noise around me I could not hear the hon. member for Esquimalt—Juan de Fuca. If he did say things that were unparliamentary, I am sure he will do the honourable thing.

Mr. Barrett: Madam Speaker, I did not name a person. I said the government lied and political parties lied. That is purely parliamentary. If I name a specific person, that is unparliamentary.

If my colleague wants a lesson on procedure for free, I will give him 15 minutes outside. One can say that a government lied and a political party lied.

Madam Speaker, since you have suggested relevance, I will be relevant. I will confine my remarks to what the Liberal members were allowed to say without any interruption. Far be it for me to suggest that the Liberal members strayed, but if that is what they suggested they were doing, that is what I am allowed to do too.

Let me finish my remarks by suggesting that had the Government of Ontario not unloaded the SkyDome, the taxpayers, as they might be under this bill, forced to pay tens to hundreds of millions of dollars in interest charges right out of the pockets of the taxpayers of Ontario. At least they have stopped the haemorrhaging.

Why did the Liberal government not tell the truth about the deal? Why are the Liberals trying to rewrite history in this Chamber? Why do they not go down to Queen's Park and make the same speeches? They would

be too embarrassed to. The facts are overwhelming. They left a mess and they are trying to play politics here with the mess they left. I say, with all respect, shame on them. They should not try to rewrite history in this place. It is bad enough what they did down there.

Madam Deputy Speaker: The period for questions and comments has now expired.

It being eleven o'clock a.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

DIABETES AWARENESS MONTH

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, November has been proclaimed as Diabetes Awareness Month by the Canadian Diabetic Association.

Over one million Canadians have diabetes which is a major cause of significant health problems and can lead to premature death. Diabetes treatment cost Canada's health care system $2.5 billion annually. While the onset of diabetes can at times be dramatic very frequently its presence is subtle.

The federal government plays an important role through the Department of National Health and Welfare which provides a sustaining grant to the Canadian Diabetes Association, supports the operation of the Canadian Diabetes Advisory Board, funds special initiatives in regard to diabetes among Canada's indigenous people and supports other diabetes research.

It is my pleasure to salute the efforts of the volunteers and the staff of the Canadian Diabetes Association during Diabetes Awareness Month.

* * *

STANDING ORDERS

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, on Monday an important precedent was set in this House which reflected the continued improvement of parliamentary control over government regulations.

In early 1986, following the recommendations of the Standing Joint Committee on the Scrutiny of Regulations and the McGrath committee, Parliament introduced a disallowance procedure to our Standing Orders.

This procedure enabled the joint committee and the House of Commons to order the revocation of any offending regulation enacted by the executive branch of government.

On October 10 we tabled the unanimously adopted second report of the Standing Joint Committee on the Scrutiny of Regulations which contained a resolution calling for the revocation of the agricultural exhibition loans order regulations.

On Monday this resolution became the first order ever of its kind in the House of Commons. All of those concerned with the effectiveness of Parliament will be grateful for this and continued appropriate applications of this procedure, and we now await compliance by the Governor in Council.

* * *

VICTORIA CROSS

Mr. Lee Clark (Brandon—Souris): Madam Speaker, as you know the Victoria Cross is the highest honour which can be awarded to Canadians and to others within the Commonwealth for heroism during wartime. Of the 93 Canadians who have been honoured with this distinction, 13 have been received by Manitobans.

In fact the name of a street in Winnipeg was changed to that of Valour Road after three of its residents were so honoured during World War I.

On behalf of the many residents of Brandon—Souris with whom I have spoken on this issue, I would ask the responsible officials not to alter in any way the significance of this award.

Although the Victoria Cross is not a Canadian award as such, members past and present of the Canadian Armed Forces strongly favour its retention as the highest honour for which a Canadian in wartime could be eligible.

I am pleased to be able to add my own voice to that of these constituents on this most significant issue.

CANADIAN POLISH CONGRESS

Mr. Jesse Flis (Parkdale—High Park): Madam Speaker, the Canadian Polish Congress, an umbrella organization representing some 240 Polish Canadian organizations across Canada, is here in Ottawa today to give its response to shaping Canada's future together.

The Canadian Polish Congress, among many excellent suggestions, recommends that the preamble to the Constitution should note that all segments of Canada and every individual, apart from guaranteed rights and privileges, also have some obligations toward the state and the Canadian community.

A stronger emphasis should be placed on the need for a commitment to Canada on the part of every citizen, irrespective of where he or she resides. It is obvious that this commitment is lacking in some parts of our population.

Too many Canadians are asking not what they can do for their country but rather what their country can do for them. The prevalent attitude seems to be to get more for less and to look after number one.

Canadians of Polish descent believe that the time has come to address the other side of the individual rights and freedoms and equally the individual duties and responsibilities.

* * *

ENERGY EFFICIENCY ACT

Mr. Walter Van De Walle (St. Albert): Madam Speaker, this government believes that we can address economic issues while improving the environment. Bill C–41, the Energy Efficiency Act, illustrates this government's commitment to sustainable development because it recognizes the importance of future alternate energy resources.

These are ethanol and ethanol enriched gas. Ethanol added to gasoline will improve octane levels while reducing the use of harmful additives such as MMT and benzene.

The production of ethanol has important economic benefits. It would have the effect of boosting slumping grain prices, providing Canadian farmers with millions of dollars in revenue to bolster the farm economy.

I call on the government to consider all avenues possible to promote the use of ethanol enriched gasoline. It is good for the farm economy. It is good for the environment and it is good for Canada.

* * *

GOODS AND SERVICES TAX

Mr. Len Taylor (The Battlefords—Meadow Lake): Madam Speaker, when the government implemented the goods and services tax, it took steps to ensure that goods purchased by Indian bands and delivered for use on the reservations would be exempt. In doing so, the government noted that goods delivered by mail would qualify as exempt as long as the post office was on the reserve.

However there are few post offices on reserves in Canada. Therefore bands purchasing goods like books for use in a band operated school, goods which are shipped by mail to a post office off the reserve, must pay the GST on these goods which otherwise the government says are exempt. This is wrong.

I have brought this to the attention of the Minister of Finance on an earlier occasion and he acknowledged the implementation process is inconsistent, but he refuses to correct that inconsistency.

I think we would be better off without the GST, but as long we have it and as long as this government is exempting goods purchased by and delivered to Indian bands, I call on it to be consistent and exempt—

Madam Deputy Speaker: I am sorry but the hon. member's time has expired.

* * *

OIL AND GAS INDUSTRY

Mr. Ken Hughes (Macleod): Madam Speaker, investment in Canada should be treated both fairly and equally without regard for the sector in which an investment is made. Regrettably investment in the oil and gas industry is still subject to restrictions by Investment Canada.

These restrictions make no sense for Canada. Restrictions result in lower total investment in the industry, less economic activity and less security of energy supply for Canada.

We already control those petroleum resources in the ground because most are owned by the Crown and all development is controlled by regulation. How much more control do we need?

Let us get rid of this last vestige of the National Energy Program-type of thinking and let us get on with building a vibrant and competitive energy sector.

I and colleagues from Alberta call on cabinet to remove all restrictions to investment in the energy sector as soon as possible.

* * *

• (1110)

POVERTY

Ms. Mary Clancy (Halifax): Madam Speaker, the National Council on Welfare, in its most recent report, *Welfare Incomes 1990*, reports that the incomes of 1.9 million Canadians on assistance across the country now fall well below the poverty line. Specifically many welfare recipients have actually seen their benefits decrease in value over the last several years due to the absence of automatic cost of living increases in basic rates. This drags these payments to abysmally low levels.

In Nova Scotia, for example, total income for a single parent with one child is barely over $11,000 and for a couple with two children, barely over $14,000. Those of a disabled person and a single employable person are $8,164 and $5,982 respectively.

These figures are woefully inadequate given the fact that the income of a single parent with one child totals only 66 per cent of that defined as the poverty level annual income.

For a government that speaks of competitiveness, the record belies belief. Poor children are often hungry—

Madam Deputy Speaker: I am sorry, the hon. member's time has expired.

* * *

FARLEY MOWAT

Mr. Garth Turner (Halton—Peel): Madam Speaker, I rise on a very serious issue which I would like the Speaker to take into immediate consideration.

Last night in Toronto, at an awards ceremony held by the Council of Canadians, author Farley Mowat made some deeply disturbing remarks. Mr. Mowat called the Prime Minister a traitor. Mr. Mowat then urged Canadians to take up arms against the current lawfully elected Government of Canada.

I consider these remarks to be in contempt of Parliament, Madam Speaker. I am standing in my place asking you if you will rule on this matter and instruct hon. members what action should be taken against a public figure who has publicly advocated armed insurrection against Parliament.

* * *

EASTERN ONTARIO

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Madam Speaker, I call upon the government to bring in a particular program for regional development in eastern Ontario.

This part of the province of Ontario and this part of Canada is the one remaining part in the entire nation that does not have a particular regional development program. Many jobs have been lost: 265,000 across Ontario have been lost, and we in eastern Ontario have contributed a great deal to that figure.

The added increase in UIC premiums is a burden on business and on those that are still employed. As unemployment insurance runs out for many people they go on the social net. That means an added burden on municipalities and an increase in municipal taxes because this government has shoved its responsibility to lower levels of government.

The chairman of the finance committee indicated after the last election that eastern Ontario would be punished for voting Liberal. It seems today that he knew what he was talking about at that time.

All we are asking for is a sense of decency in the democratic process, a sense of fairness in—

Madam Deputy Speaker: I am sorry, but the hon. member's time has expired.

TRADE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, recently while in Vancouver, the Minister for International Trade scolded Canadian manufacturers.

"Clearly too few firms are doing most of our trade", he said. Funny he should mention that, because as he spoke a flatbed trailer heading toward the U.S. carried some of Canada's top exports these days, Canadian jobs. Under the trailer's canvass lay tooling equipment from B.C.'s now defunct copper manufacturing plant along with 180 Canadian jobs.

Alabama based Wolverine Industries has a monopoly of the Canadian market and it is now closing its B.C. plant to save money, all with the blessing of Canada's competition watchdog.

According to the feds, Wolverine no longer has a monopoly because free trade has opened the door to American competition. Wolverine builds a Canadian monopoly, then closes up Canadian plants and poisons the well so Canadians cannot compete in their own market, all of this encouraged by a government which falls all over itself to please Uncle Sam.

Welcome to the wonderful world of free trade.

* * *

SOMATIC CHEMICALLY INDUCED DYSFUNCTION SYNDROME

Mr. Ross Belsher (Fraser Valley East): Madam Speaker, I rise today on a matter of extreme urgency to the residents of the Fraser Valley.

Over 200 people in the Abbotsford—Chilliwack area have been given preliminary examinations and have shown symptoms of the enviro-disease.

Termed by Abbotsford Dr. Richard Sweeting as Somatic Chemically Induced Dysfunction Syndrome or SCIDS, this environment disease is alleged to be the cause of weight loss, headaches, extreme muscular weakness and severe flash pains in joints.

People are wondering what is causing this disease and allegations of chemicals leeching into the Abbotsford acquifer are causing great concern.

I am sure the Department of National Health and Welfare and Environment Canada will want to take immediate action to address the growing concerns of Fraser Valley residents. I encourage both ministers to make sure their departments are actively involved in identifying what is this problem.

* * *

THE ECONOMY

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Madam Speaker, it is no surprise to the people of Ottawa—Carleton, including my constituents, that this Tory government brings only bad economic news.

Today we learn that the changes brought to unemployment insurance by this government have added $2.6 million to Ottawa—Carleton's welfare tab for 1991. We will have a total of 23,000 general welfare assistance cases this year in this area, a staggering increase from last year of 17,200.

There is no relief in sight from the Tory government for the unemployed. Even the finance minister admitted yesterday that unemployment will remain higher than forecast throughout the year and next year also. The pace of economic recovery is weak.

Shame on this government for shifting the cost of its failed policy on to other levels of government. Shame on this government for trying to fool Canadians by this clumsy attempt at deception.

Canadians will remember come the next election that this Tory government has cost them their jobs, their houses, their pride and their dignity.

* * *

CARDIO PULMONARY RESUSCITATION

Mrs. Barbara Sparrow (Calgary Southwest): Madam Speaker, the Heart and Stroke Foundation of Canada, in conjunction with St. John's Ambulance, the Canadian Red Cross Society, the Royal Life Saving Society of Canada and the Canadian Ski Patrol System are promoting November as CPR Awareness Month.

The goal of this annual event is to raise awareness among Canadians of the benefits of heart healthy living and the life potential of the training for cardio pulmonary resuscitation.

CPR training provides skills and knowledge for immediate action after a heart attack or other emergencies such as choking, drowning, electrocution and drug over-

dose. The course emphasizes three basic steps: immediate action, join the rescuers and tell someone.

Each year some 45,000 Canadians die of heart attacks. Everyone can help reduce that number by taking time to learn the basics of CPR because you could save a life.

* * *

NATIONAL UNITY

Hon. John Bosley (Don Valley West): Madam Speaker, if it is true that it is always darkest before the dawn, then Jim Taylor is giving Canadians an urgent wake-up call. Mr. Taylor, who is a constituent of mine, is the driving force behind the My Country Includes Quebec Association.

Mr. Taylor has rented 15 billboards nation-wide to promote his "My Country Includes Quebec" slogan and is commencing a tour through Quebec and the maritimes to Newfoundland.

If Canadians put half as much effort into keeping our country united, we could all feel secure in knowing our future is assured. He is demonstrating the tolerance and respect that all of us need to show for those who speak the other official language. He wants us to share his vision of a Canada stronger than the sum of its parts, a Canada that includes Quebec now and forever.

[*Translation*]

Good luck, Mr. Taylor, congratulations and the very best!

ORAL QUESTION PERIOD

[*English*]

THE ECONOMY

Mr. John Manley (Ottawa South): Madam Speaker, yesterday the Minister of Finance was confronted with the cynical observation in some press reports that he was contemplating tax cuts before the next election. He refused to deny that he was contemplating just such a move.

Now is the time when the economy could use some stimulus. Now is the time when people are running out of money and running out of hope.

Will the minister provide tax relief for Canadians now rather than later on when he could use it just as some kind of cynical election ploy?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I think that contemplation was in the mind of the member alone.

He raised that question in committee yesterday. He knows very well the fiscal challenges that we face and he has been a very strong advocate and supporter of fiscal consolidation.

Is he now suggesting that we increase the deficit?

Mr. John Manley (Ottawa South): Madam Speaker, I know that in 1988 before the last election when the deficit was very high the government opposite found room for tax cuts even when the economy was growing at 5 per cent.

[*Translation*]

Since the minister said that the recession would be worse than he expected, how does the government expect the provinces and municipalities to help Canadians who are now unemployed and who will soon run out of unemployment insurance benefits, since the federal government is cutting funds to which the provinces are entitled?

• (1120)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member knows that in 1988 the implementation of tax reform was taking place. That had the effect of reducing personal and corporate income tax.

With respect to the second part of his question, the hon. member knows very well that the transfers to the provinces are continuing. It has been one of the highest growths of the program expenditures in the whole area of government spending. As a matter of fact, fiscal transfers have increased on an annualized basis of about 6 per cent per year.

We have had to restrict that increase because we have disciplined ourselves as a federal government to contain program expenditures to around 3 per cent to 3.5 per cent and we are asking everyone else to live within that target, within that particular formula. We are not asking the provinces or municipalities or anyone else to have

any more discipline imposed upon them than we are imposing upon ourselves.

The hon. member knows very well that the challenges of fiscal consolidation are very real. The Chamber of Commerce suggested yesterday that we have to do a better job of fiscal consolidation than we have done in the past.

Mr. John Manley (Ottawa South): Madam Speaker, the issue here is who is going to deal with the human consequences of the recession that we have been experiencing in this country.

Yesterday the social services commissioner for Ottawa–Carleton said, "The federal government has ordained that this is the way it will be. It is a way of them saving money but it costs us money. We have no alternative but to continue to carry this". Other levels of government are not willing to simply abandon the poor and unemployed at a time when they are hurting, when they are running out of cash, when they are running out of unemployment benefits. Why is the federal government willing to give up on these people and cause them to give up on hope for tomorrow?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, perhaps the hon. member may want to explain to the House whether in fact he is in favour of the kind of fiscal stimulus that has been employed by the Government of Ontario, which sees its deficit for this year tripled and the over–all combined deficits over the next four years rising to $37 billion. Is that what he wants the federal government to do? I think that would be an illogical course.

The unemployment rate is clearly higher than we would like to see. But let me remind the hon. member that 101,000 new jobs have been created since February. We expect that there will be an increase of about 300,000 jobs over the next year, and that means an increase of 400,000 jobs over the course of the next year. We expect the unemployment rate to average out at about 10.2 per cent in 1992, dropping to 10 per cent by the end of the year. The budget forecast was 9.8 per cent at the end of the year. The strong growth in employment itself will be offset by a growing population and a healthier economy, which will attract more people into the labour force. So the hon. member should recognize that it is not all gloom and doom. There are some positive features there.

Hon. Herb Gray (Windsor West): Madam Speaker, I have a supplementary question for the Minister of Finance. Canadians are asking him to stop the flim–flam and admit that the government's policies will not create enough jobs to fill the needs of Canadian workers. If that were the case, the unemployment rate would not be going up.

Yesterday he said that business is experiencing "a strong squeeze on profit margins" as a result of, among other things, "a strengthening Canadian dollar".

I want to ask the minister, now that he has admitted that his high dollar policy is squeezing the profits of Canadian companies and destroying business confidence, will he confirm that he is finally taking steps to reverse that policy and get the economy moving?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, that is but one factor, the issue of productivity and competitiveness. The hon. member would know that between 1985 and 1990 the unit cost of production as a result of employment rose by 28 per cent in Canada while it stayed at a zero rate of increase in the United States. So that has hurt the competitive position. The value of the Canadian dollar is but one factor.

I remind the hon. member that the decline in interest rates has had a very positive effect upon small business and it is reducing its cost of business by about 20 per cent in terms of interest rate costs as compared to last year.

If we can continue to curtail the inflationary pressures and keep inflation down, we will keep interest rates down, and that is the secret to sustained economic growth and price stability.

Hon. Herb Gray (Windsor West): Madam Speaker, I understand that the gap between our interest rates and American rates is still higher than usual and therefore damaging our competitiveness.

Yesterday, Tom Courchene, director of the School of Policy Studies of Queen's University, said to a conference that the high Canadian dollar has resulted in "a hollowing out of the Canadian manufacturing sector".

So I ask the minister, why does the government want to continue this hollowing out, this destruction, of our manufacturing sector? Why will he not listen to Dr.

Courchene, a political supporter of his government, and take immediate steps to bring the dollar down?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I read the same article and Dr. Courchene said that Ontario has been the author of its own demise.

Speaking about the manufacturing sector, Courchene added: "Ontario spent the fiscal windfall from 1983 to 1989's economic boom and literally forced the Bank of Canada to ratchet up interest rates in pursuit of price stability. Ontario's proposed $37 billion in deficits over the next four years undermines Ottawa's fiscal restraint and may jeopardize the Bank of Canada's inflation targets, which will also jeopardize the interest rates in this country."

Madam Speaker, when the hon. member wants to quote Dr. Courchene he should quote him fully.

* * *

CHILD POVERTY

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, my questions are for the Minister of Finance also and deal with a particular group of Canadians who have experienced severe problems as a result of this government's economic policies.

The minister will know that two years ago this House unanimously agreed to eliminate child poverty by the year 2000. The government has no guidelines to achieve the elimination of this national disgrace, even though Canada's poverty rate is second only to the United States among developed nations. The Prime Minister has agreed with the United Nations that children should have first call on the resources of this country.

As the Minister of Finance and the Deputy Prime Minister, he must take responsibility for the cap on CAP, cuts to health and post-secondary education and the deindexation of family benefits, and so on, all programs which have hurt children. Can Canadian children take this to mean that the Minister of Finance does not agree with the Prime Minister that children should have the first call on Canada's national resources?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member observed that Canada's record in this area was second in the world, and I think that that should not go unnoticed.

The income and unemployment support to families, particularly in respect of children, amounts to about $7.5 billion annually. I indicated in the House just the other day that we have doubled the child care expense deduction for pre-school children; created a special initiatives fund and implemented a new supplement to the child tax credit; the child tax credit was increased by almost 50 per cent starting in 1986; launched initiatives to counter family violence. All of these things are clear indications of the government's support and particularly its priority in dealing with the problems that face children.

We consider our children very important to this society but, more importantly, for the future of our generations to come.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, the record for Canada shows that Canada is the second worst nation for child poverty. Only the United States has a worse child poverty record than Canada has. That is the record, Madam Speaker, that this government has to answer to.

In committee meeting after committee meeting, poverty support groups and child advocacy organizations have asked a very simple question: Does this government hate children? Because that is what their policies show to those organizations that experience poverty first hand.

What does this minister have to say to those Canadians who understand poverty and who say that this government hates children?

• (1130)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): That is a categorically false allegation, Madam Speaker.

The hon. member takes issue with the fact that I contend, and justifiably so, that this government has taken very positive action with respect to children. That has been recognized by the United Nations. The United Nations has classified Canada, based on a human devel-

opment index, as the second best country in the world in which to live. That is based on things such as how we care for our children, how we educate ourselves, how we deal with the environment, how we treat the sick, the aged, and the disabled. All of those things are taken into consideration. Canada stands second only to Japan in that area and we should all be proud of it.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing): Madam Speaker, we still have a million children living in poverty in this country and perhaps the minister could explain that.

[*Translation*]

If we consider recent statements by ministers, it is obvious this government has no inkling of the poverty of Canadians and of the children of this nation. Three times, food banks in Montreal asked the Prime Minister to come and visit them, and three times he refused. I will ask the Deputy Prime Minister and his colleagues once more: Will they promise to visit food banks and shelters for the homeless to see for themselves the kind of impact their fiscal policies are having?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I indicated that $7.5 billion has been spent by the federal government on these kinds of programs.

I also indicated in the House on previous occasions that with respect to transfers to provinces, which include support for welfare programs, for health and for education, have risen from a figure of $25.6 billion in 1984–85 to a figure of $38.1 billion in 1992–93. Madam Speaker, that is a $12.5 billion increase over that period and we have done that at a time when we were under very, very strong fiscal pressures.

The hon. member says well, what about inflation. I ask the hon. member: who does he want to tax and at what amount, to provide this additional assistance. It is one thing to stand up in the House and ask for the expenditure of money. It is another thing to say where he will get the money and how he will tax it and who he is going to tax to improve this. If he could give us that kind of information then I would be pleased to take it into consideration.

Oral Questions

THE ECONOMY

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I have a question for the Minister of Finance. Just over a year ago, on October 12, 1990, the Prime Minister said, and I quote:

> We have induced a slowdown. Mr. Wilson said as much in his budget of February. Look at the budget. It is clear as spring water.

Yesterday the Minister of Finance admitted that the budget forecasts were all wrong and unemployment will be much higher this winter than predicted.

An hon. member: Shame, shame.

Mr. Chrétien: So it is very clear. I feel sorry for the Minister of Finance who has to get up every day to defend the indefensible, the budget of his predecessor.

We would like the minister to bring in his own policies and we will give him the benefit of the doubt. He might be better than his predecessor because that would not be too difficult.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the state of the Canadian economy has to be put in context with what is going on around the world. The hon. member knows that Canada is part of the global community and that it is a participating partner in the global economy.

The hon. member will know, I am sure, that the world economic growth for 1990 was 2 per cent. For 1991 it is 1 per cent, the lowest it has been since 1981–82. All around us are countries which are experiencing grave difficulties. The United States is projecting growth of 2.5 per cent in 1992. Germany is projecting growth of 1.5 per cent in 1992. France is having difficulties; it is projecting growth at 2 per cent to 2.5 per cent. Italy is projecting growth at 2 per cent. The United Kingdom is projecting growth at 1.5 per cent.

Madam Speaker, the Canadian situation has to be viewed within that context. I think from the standpoint of comparison, we are doing reasonably well compared to other industrialized countries in the world.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Madam Speaker, I have a supplementary for the Minister of Finance. In October 1990, the Prime Minister candidly admitted that it was as clear as anything that the recession—he referred to it as a slowdown—had been induced by the government. It was the first time in Canadian history that a government admitted to causing a recession. The Minister of Finance himself admitted yesterday that his predecessor's budget forecasts were all totally inadequate. We feel sorry for the new Finance Minister who is trying to defend a program that was a total disaster, but we nevertheless want to ask him when he will table a new economic plan, to give new hope to Canadians who are becoming increasingly desperate.

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. Leader of the Opposition knows that it was necessary to wring out inflation and inflationary pressures that occurred in 1989. He knows that very well. To have been delinquent in that task would have put Canada in a situation which was similar to that which we were in in 1981–82 where we saw inflation rise to 13 and 14 per cent with interest rates to 21 and 22 per cent. We wanted to avoid that.

Every international organization that studies economics around the world—the OECD noted that the fiscal actions and announced inflation reduction targets together with continued efforts on structural reforms will leave Canada well placed to maintain its tradition role as one of the most prosperous and fastest growing economies in the OECD area.

The OECD expects the Canadian economy to expand 3.5 per cent in 1992. The IMF, because of the actions we took on the fiscal and monetary front, has indicated that we will have a growth rate of 3.8 per cent in 1992. The Conference Board of Canada also says because of the actions we have taken, we will see a growth rate of 4.3 per cent in 1992.

You must get the fundamentals right before you can have sustained growth and price stability.

UNEMPLOYMENT INSURANCE

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, my question is for the Minister of Finance as well. As a result of the government's massive cuts in unemployment insurance two years ago, the heavy burden of helping Canada's unemployed has now been shifted to the provinces and municipalities which are consequently overwhelmed with excessive debt and high taxes.

In Ontario the proportion of people on welfare who are able to work but cannot find a job has risen to 63 per cent from 14 per cent in 1988.

How can the government preach national unity on the one hand and then shaft the provinces with the other?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the provisions of Bill C–21, which the opposition took issue with, has been a very important component in dealing with this particular issue. There have been increases provided for job training and skills upgrading. The Minister of Employment and Immigration just the other day announced an increase in expenditures from $1.4 billion to $1.8 billion.

The gloom and doom that is coming from the other side should not be taken overly seriously because there will be job creation occurring in the 1992—

Mr. Nault: What about the chamber?

Mr. Mazankowski: What about the chamber? The chamber took issue, Madam Speaker, with the level of debt in this country, not with the issue of spending more money and increasing the debt. That is what the Chamber of Commerce took issue with.

I indicated that we expect about 400,000 jobs to be created during the course of this year and next year. Under normal conditions that would reduce the unemployment rate by about 2 percentage points. But because the employment group is growing, because there will be additional economic activity and more people entering the labour force, the actual rate will go up.

Hon. Warren Allmand (Notre–Dame–de–Grâce): Madam Speaker, the fact of the matter is the government's policy has shifted the burden to the provinces and the

municipalities. In Ottawa alone this year their additional cost is $2.6 million.

[*Translation*]

Madam Speaker, in Quebec, more than 600,000 people are now on welfare, and more than 300,000 are unemployed, which means nearly one million Quebecers. Considering this deplorable situation, how can the government say that its policies are effective? Effective for whom? Isn't it time for the government to change this outrageous policy?

• (1140)

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, I indicated to another hon. member that transfers to the provinces since we came into office up until last year grew at the rate of 6 per cent on an annualized basis. That has been one of the fastest growing programs in the Government of Canada.

We have not been able to sustain that level so it has had to be constrained somewhat, but the transfers to the provinces continue to grow. Equalization grows on a demand basis. The CAP transfers to the have-not provinces grows on a demand basis and the over-all growth is well in excess of 3 per cent. We are trying to discipline ourselves to contain program expenditures so we can meet the objectives of the Chamber of Commerce of Canada. We are trying to contain those expenditures.

If the hon. member has any suggestions on how we should spend more money, perhaps he can give us some suggestions as to where we will get the money from.

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INDIAN AFFAIRS

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, the minister of Indian affairs boasts of progress in the government's new native agenda and particularly in the area of specific claims. Yet seven months after his specific claims commission was announced and five months after it was set up by Order in Council, none of the commissioners has been appointed but the chairman and not one single aboriginal specific claim has been heard or dealt with by the commission.

Will the minister explain why no commissioners have been appointed and why no claims have been settled in spite of his repeated boasts of progress in this area.

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, the answer is very simple, but I would like to indicate that since the announcement by the Prime Minister in May of this year, the government has committed $355 million toward the settlement of specific claims in the next five years. A number of those claims have been completed and I have personally participated in the announcements of those completed claims.

We named the Specific Claims Commissioner, Mr. Harry LaForme, in the month of July and we have been consulting with leadership within the First Nations, particularly the Assembly of First Nations, about the finalization of the aboriginal members of that commission.

As the hon. member knows, it is very important to seek the input and advice of First Nations before these decisions are finalized. For that reason, I will be meeting the national chief of the AFN this afternoon.

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, it is also important to listen to the AFN and its consultants and to take its advice when it is offered. It is not only the AFN, but the commission chairman who has been criticizing the minister and his government, not only for the delay in appointing commissioners, but also in the prescriptions that have been made to the commission. In fact, far from reforming the government's outdated specific claims policy, the minister has enshrined it in law in the Order in Council setting up the specific claims commission.

The minister said in a letter to commission chairman Harry LaForme that changes in specific claims policy would have await the royal commission. Is this not exactly the opposite of what the Prime Minister promised when he set up the royal commission in the first place?

Hon. Thomas Siddon (Minister of Indian Affairs and Northern Development): Madam Speaker, I think it is most unfair that the hon. member selects a sentence out of a letter and takes it totally out of context. What the letter said is that should we not make progress with the joint working committee of representatives of the chiefs and government officials on changes to the specific

claims policy, then it might be possible or necessary to refer such questions to the royal commission.

The fact is that there is a proposal to have policy changes evolve by a joint working group of chiefs. Meanwhile, we would expect the specific claims commission chaired by a prominent Canadian aboriginal to provide advice to government, not being constrained or restrained by specific criteria, on which we would base decisions with respect to specific claims.

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VETERANS AFFAIRS

Mr. Stan Darling (Parry Sound—Muskoka): Madam Speaker, my question is for the Minister of Veterans Affairs. There has been an opposition charge in the House of Commons that the Department of Veterans Affairs for several years has allowed millions of dollars of its budget to go unspent.

The view has been expressed that the demands of merchant mariners could easily be financed out of this surplus. The Standing Committee on Veterans Affairs of which I am a member has recently tabled its report supporting many of these demands.

Further, it cannot be denied that the merchant seamen made tremendous sacrifices during Canada's war effort which deserves both our recognition and gratitude.

Will the minister comment on the possibility of financing these demands out of the unspent portions of the departmental budget?

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Madam Speaker, the hon. member has been around here a long time and really understands that budget-making is a very imprecise science. When we try to make up those budgets a month or months ahead of time we have to estimate the level of demand for those services and the programs that we provide for our veterans.

I must tell him of course that we try to build in amounts and dollars for unforeseen circumstances and increased demand for services. In this case, sometimes there are moneys left over which have been budgeted for specific purposes.

Every department has, in some of its programs, lapsed funds. I might say that does not give us the right to spend those dollars in the way that the minister would like to spend them or indeed the government might spend them. There must be a legislative base for that and, in this case of course, there is no legislative base for providing those programs, at this time at least, that the merchant mariners want.

However, I can assure the hon. member that the government is taking it very, very seriously. We very much appreciate what they have done for their country and we will help them in the future, I hope.

* * *

RACIAL DISCRIMINATION

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, my question is for the Minister of National Health and Welfare.

Accusations of racial bias are still commonplace at the Health Protection Branch of Health and Welfare. While the minister of multiculturalism is talking about racial harmony, serious problems are occurring inside another department.

Will the minister of health commit today to a serious investigation of these allegations? Will he promise to severely discipline any senior officials who have been found to systematically discriminate? I am not talking about harassment in response to Tuesday's question, I am talking about discrimination.

Hon. Pierre H. Cadieux (Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as the hon. member knows, the government does not condone discrimination and there are ways and means within that particular department, Health and Welfare, to deal with those issues. I understand that is what is being done.

[*Translation*]

Mrs. Shirley Maheu (Saint-Laurent—Cartierville): Madam Speaker, I have a supplementary for the same minister. About 10 per cent of the scientific staff at the Health Protection Branch are visible minorities, but fewer than 1 per cent are in management positions. Would the minister not agree that the best way to fight

racism in his own department is to put a few of the many scientists among our visible minorities in management positions?

Hon. Pierre H. Cadieux (Minister of State (Youth), Minister of State (Fitness and Amateur Sport) and Deputy Leader of the Government in the House of Commons): Madam Speaker, as the hon. member is aware, tremendous progress has been made in all departments in this respect, including the Department of National Health and Welfare. However, I admit there is room for improvement.

* * *

[*English*]

AGRICULTURE

Mr. John Harvard (Winnipeg St. James): Madam Speaker, my question is for the Minister of Agriculture, whose announcement yesterday has left many farmers disappointed and confused.

Farmers will have to wait even longer for their aid package. The minister said that about half the money will be found in savings from the short gulf war.

Why could that money not have been found earlier? That war ended nine months ago. The money sat there. The government dithered while farmers suffered. I think that this minister owes Canadian farmers an explanation.

Hon. Bill McKnight (Minister of Agriculture): Madam Speaker, first of all, the member's memory or his timing is out. As he is fully aware, the gulf war has continued for a considerable period of time, even to this point today as Canadian servicemen and women are serving in that area.

I would put a question to the hon. member, as reporters put to his colleague from the Liberal Party yesterday: Is he prepared to suggest that the government should have raised taxes to find the additional money that he believes farmers should have today?

We have tried to be fiscally responsible and put forward half, 55 per cent approximately, of the dollars that we have today, and will put forward the balance before seeding next year.

• (1150)

I can assure the hon. member that no one has suggested to me that we should have raised taxes to provide that money.

Mr. John Harvard (Winnipeg St. James): Madam Speaker, I have a supplementary for the same minister.

While the government takes its sweet time with the farm aid package, there might be another way of helping farmers. The world wheat price might be strengthening. Wheat prices went up to $3.67 a bushel U.S. on the Chicago Board of Trade this week. That is more than $4 Canadian a bushel. That is more than twice the initial price offered by the government.

I would like to know from this minister whether he would consider increasing the initial wheat price payment.

Hon. Bill McKnight (Minister of Agriculture): The hon. member should be very wary of quoting the Chicago Board of Trade prices and equating them to what the Canadian Wheat Board is acquiring at this time.

He could also look at some other market areas, particularly the Rotterdam quotes on a daily basis. There is no doubt that the price of grain has strengthened. One of the reasons it strengthened is the Prime Minister's announcement of the $500 million credit to the Soviet Union to allow it to make a purchase of some four million tonnes which will be delivered before the end of February which again will put dollars in farmers' pockets.

You know, Madam Speaker, as every other member in this House knows that the Canadian Wheat Board advises the government as to what the initial price should be. We have, in the past, made interim adjustments and when that advice comes from the board for interim adjustment, it will be acted upon very rapidly.

Hon. members should also be aware that when the government set on the advice of the Wheat Board initial prices which were higher than the market, the government continued to support those prices. That led to a deficit in the wheat pool of the Canadian Wheat Board which the government supports.

That means there has been an additional support system not for income but because of international trade war that took place.

LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, annual exports of more than $1 billion worth of lumber to Europe from British Columbia, the maritimes and Quebec are threatened by a European Community ban and green lumber imports from Canada.

Canadian trade officials expected to have the ban lifted, but failed in their recent appeal. Another opportunity to present Canada's case arises when the Europeans review the issue on December 16.

I would like to ask the minister of forests if he can tell this House what steps the government will be taking to assure a ruling in Canada's favour in December.

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, I have travelled in Europe recently to discuss this issue and many others with my counterparts there, and with Commissioner McSharry of the European Commission.

We have been assured that this issue will be dealt with on a priority basis. Naturally, we are disappointed that the decision, which is a plant health issue in Europe, has been delayed for a month, but we have engaged in a joint study with the European Community to discover ways in which this nasty bug could be eradicated and normality restored.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Madam Speaker, given the success of Canada on this point, I am not sure if we need to have the minister travelling in Europe any more to present Canada's case.

In any case, Madam Speaker, my question for the minister is this. Given the government's failure on softwood lumber, on plywood standards, shakes and shingles and now this issue, can the minister tell the government that it has to realize that it cannot play in the major league of trade if it continues to strike out every time it gets up to bat?

Hon. Frank Oberle (Minister of Forestry): Madam Speaker, the hon. member, of course, is wrong when he says that we strike out every time we engage in a trade conflict.

Our international market share has increased. It has broadened. It is dynamic. It is in Asia. Our own province is shipping more product to Asia now than we do to the United States, so the hon. member is quite wrong.

I did travel in Europe and make no apologies for that. Of course I was not accompanied by a squadron of CF-18 fighters. We made our case in the strongest possible terms and we hope to have it respected.

* * *

THE ENVIRONMENT

Hon. Chas. L. Caccia (Davenport): Yesterday the federal government admitted that its 1988 election promise to clean up the St. Lawrence River in time for the next election was an empty promise. Now we are told, Madam Speaker, that 1995 is the target. What concrete actions, I would like to ask the Minister of the Environment, is the government taking to give Canadians reason to believe that the new target of 1995 will be met?

Hon. Pauline Browes (Minister of State (Environment)): Madam Speaker, the St. Lawrence action plan is a very ambitious plan to clean up the St. Lawrence as a result of working with the Great Lakes action plan and working with industries. What we are targeting are those industrial plants that are along the St. Lawrence. We have a priority action of cleaning up 90 per cent of what is coming there from those industries. We have given an update in order that people of Canada can be well aware of how our planning is making progress. Of course the pulp and paper regulations that will be coming down soon will be assisting in this respect. Two companies in particular are being looked at. There are investigations going on both by the province of Quebec and by the Government of Canada on Tioxide Canada Incorporated.

Hon. Chas. L. Caccia (Davenport): Madam Speaker, four years ago the Minister of the Environment promised that his government would review, consolidate and strengthen legislation in respect to water. We have not even seen the bill to prevent water export, let alone a comprehensive bill to protect Canada's water.

[*Translation*]

Madam Speaker, could the minister tell the House when this four-year old promise will be kept?

[*English*]

Hon. Pauline Browes (Minister of State (Environment)): Madam Speaker, the export water policy that the Government of Canada has pursued is in place. There was a bill brought forth prior to the 1988 election concerning legislating water export. That is being worked on at the present time in order that we may bring that forth in the form of legislation.

I might add, Madam Speaker, that in relation to the various industries that are at the St. Lawrence, we are planning a green plan enforcement package very soon and that will be very beneficial in terms of the St. Lawrence action clean-up.

* * *

[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. Jean Lapierre (Shefford): Madam Speaker, in this morning's *Gazette*, we read that the Minister responsible for Constitutional Affairs suggested that a federal referendum might be useful if one of the provinces held its own plebiscite on a matter that did not reflect the views of the entire country.

My question to the minister is this: It is clear that Bill 150 and the Quebec referendum on sovereignty would not reflect the views of the entire country. Would the minister agree that he tipped his hand and made it abundantly clear that a federal referendum would be a frontal attack on Bill 150 and, above all, a denial of Quebec's right to self-determination?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Madam Speaker, it is quite clear that if a referendum is held at the national level, it will be held to protect the interests of Canada as a whole and to allow Canadians to express their views on the basic issues in our country.

What we are talking about here, Madam Speaker, is a commitment by our government to table in Parliament a bill that would allow the federal government to hold a referendum.

I have made it clear many times that such a referendum, if it is held, would not impose on any province an opinion or position that is not shared by that province. I think that is clear, and in fact it is elementary.

Hon. Jean Lapierre (Shefford): Madam Speaker, the Minister responsible for Constitutional Affairs knows his history, and he knows that the same comments were heard in this House in 1942. Does he not see a parallel between his referendum initiative and the federal betrayal of April 27, 1942, when this Parliament passed the plebiscite legislation that imposed conscription on Quebecers against their will? Would he not agree that we have reached a similar crossroads? Doesn't it bother him to become an accomplice of the Leader of the Opposition?

• (1200)

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Madam Speaker, I think this shows the opposition the hon. member is losing confidence, when he feels he has to use scare tactics here in the House. This is not history but a distortion of history, and we want to avoid any distortion of what the future holds for Canadians.

I think the best way to protect Canadians is to work together, but the best way to keep Canada together is to recognize the right of Quebecers and Canadians to make their own choices and to be told the truth and not misinformed.

* * *

[*English*]

SMUGGLING

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, my question is for the Solicitor General.

An internal report of the RCMP informs us that smuggling into Canada, particularly at Akwesasne, will reach $500 million this year.

When will the government start taking this issue seriously? What does it intend to do to end this terrible practice which causes so much damage to my constituents and several others?

Hon. Doug Lewis (Solicitor General of Canada): Madam Speaker, I appreciate my friend's concern about the issue of cigarette smuggling. The RCMP and customs

officials have increased their monitoring of the situation and will continue to do so in every effort to stop cigarette smuggling.

Mr. Don Boudria (Glengarry—Prescott—Russell): Madam Speaker, there are presently 17 RCMP officers patrolling the whole area, all of whom are temporary people. Seldom do we see anyone there for more than one or two weeks before being transferred elsewhere.

[*Translation*]

I would therefore ask the minister to take this matter seriously. Five hundred million dollars in taxes have been lost. There have been fights in Akwesasne, there have been murders and the rest. When will the government start taking smuggling seriously in this country? It is a very serious problem, not just for my riding, but for the entire country.

[*English*]

Hon. Doug Lewis (Solicitor General of Canada): Madam Speaker, I can assure my hon. friend that the RCMP, customs officials and the government take the situation at Akwesasne seriously and are taking all steps to eliminate cigarette smuggling.

Obviously it still exists to a certain extent. We are doing everything we can to eliminate it.

* * *

RACISM

Mr. Nelson A. Riis (Kamloops): Madam Speaker, my question is directed to the Minister of Justice. This week all members of Parliament were among those unfortunate enough to receive a disgusting anti-Semitic and racist analysis of Canadian history in their offices. The book called *Stop Apologizing* is a lengthy diatribe against Canadians who were not born white or raised Protestant.

I know that the minister is concerned, as we all are, about increasing racism in the country. Will she, in her role as Attorney General, review the document which all of us have received in our office to determine its possible infringement of the hate literature provisions of the Criminal Code and then undertake to lay any appropriate charges?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I have not seen the document to which the hon. member refers. Perhaps there is a copy in my office. However, I share his concern if it is in violation of the hate literature provisions of the Criminal Code.

Charges laid under the Criminal Code are laid by the provincial attorneys general, except in the territories. However, I would be very happy to review the document and call it to the attention of my provincial colleagues for their review and possible action.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, I too wish to ask a question of the minister. The issue that was raised by the House leader for the New Democratic Party is indeed a very serious issue.

I looked at this publication last night and must say that I have never received a more offensive publication in my office through the mail in my life. There are allegations and insinuations in it against every race, every religion and every colour but white. It is absolutely offensive.

I ask the minister to review this matter today and take every appropriate action to ensure that this type of hate literature has no place in the mails or in any office in Canada.

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Madam Speaker, I am very happy to refer the hon. member's comments to the Minister of National Revenue in case there is an element with respect to customs and excise and importation.

I would say to the hon. member what I said to the House leader of the New Democratic Party. If he wishes to communicate directly with the Attorney General of Ontario or with his own province that is the fastest way to draw attention to this. I am happy to review it, but I do not have the authority under the Criminal Code to lay charges under the Criminal Code.

Some hon. members: What about the post office?

Ms. Campbell (Vancouver Centre): There is a chorus of suggestions with respect to the post office for which I am very grateful. The minister responsible for Canada Post is in the House. I believe this would be a question also to be dealt with by the minister responsible for customs and excise. I am happy to take that comment under advisement and refer it to the appropriate ministers.

With respect to the Criminal Code, charges would be laid by the provincial attorneys general. I am happy to draw the matter to their attention. The hon. member and all members of this House are free to do so as well. I would encourage them to do so since they have had the benefit of looking at the material, and I have not.

* * *

POINT OF ORDER

QUESTION PERIOD

Mr. Greg Thompson (Carleton—Charlotte): Madam Speaker, to the best of my knowledge the government side had one question today during Question Period. This is a recurring theme in Question Period. We are not given our right as members of this House to ask questions.

Madam Speaker, I think if you examine the questions that I have asked in this House since I have been here you will find that they have been as tough as any questions from the opposition side.

Madam Deputy Speaker: I am sure the hon. member for Carleton—Charlotte does not want to question the right of the Speaker to recognize or not recognize people. The hon. member will sit down, please.

I would also tell the hon. member that on three different occasions during Question Period I did look to recognize him and he was not in his seat.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I would like to speak on the matter which has been raised by my colleague. If he wishes to discuss it with the government House leader perhaps there would be unanimous consent in the House in order to accommodate the hon. member to raise his question and thereby to have other members from this side and I would presume from the NDP.

Perhaps we could extend Question Period today to about 12.20 in order to accommodate those members who have such pressing questions they wish to put to ministers of the Crown.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I rise on the same point of order. I know in your usual fashion you are seeking a resolution to what may be a problem. I do not think it is a problem. I know that in our own caucus we had a number of people who were on our list who had pressing questions today.

I want to join with my colleague and say that we would be more than willing today, and perhaps virtually almost any day, to extend Question Period for 20 minutes to allow a number of individuals on all sides of the House to have a chance to ask more questions.

Mr. Pat Nowlan (Annapolis Valley—Hants): Madam Speaker, I am not going to get into the game of extending Question Period. I think that perhaps we should sometimes, but I really do think the Speaker's duty and responsibility is to recognize all in this House as equals.

After the lead questions are asked and the answers given in some form or other, thereafter there is an incumbent duty of members to stand so that the Speaker has a chance to find out who is trying to get the attention of the Chair. We should not get into the pattern that I am afraid we have fallen into. This is when other occupants of the chair—not you, Madam Speaker—seem to look at a piece of paper, and I would not want to suggest that there were names on it, and only those names are recognized.

This is a far cry from the way Question Period should be. Quite frankly the thing is as dull as dishwater in so many cases. When you get a good question and someone has a proper supplementary sometimes there is not flexibility on the part of the Chair to recognize that supplementary. That is when Question Period in this House used to live with a little more vibrance than it does today.

• (1210)

Most of the ministers have already gone, and I understand that is the usual ploy at this particular time on a point of order. But in future Question Periods this crazy list should get out of the way of the Speaker's eye after you have the lead so that there is a little more to and fro both from the government side and from the opposition side. That will bring some sense to this procedure.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I hesitate to get involved in this interesting debate. The issue of Question Period and general behaviour in the House and how we conduct business and so

on has been a matter of some discussion. We have been discussing at the House leaders' level.

There are some things about Question Period that we need to look into. We should certainly look at the question of whether it is appropriate to have Question Period fully scripted by the opposition and without, on the counterpart, having the question of notice as they do in the United Kingdom.

Virtually every minister who is not out of the city is sitting here waiting and not knowing whether there is going to be a question or not. There is an enormous amount of preparation that goes into it. I wonder if that is an appropriate use of the taxpayers' resources that it carry on.

An hon. member: Oh, oh.

Mr. Andre: There is the hon. member for Broadview—Greenwood heckling from his seat again after saying he does not do that and that he behaves well.

Maybe that is something we should be looking at. The solution to the problem according to the opposition is just to have a longer Question Period. Admittedly that is the most entertaining time of the day and about the only time we see a lot of people in the House. I wonder if that is the best way to serve the taxpayers of this country who are paying our salaries. Are we here to entertain? Are we here to inform? Are we here to keep the government in check through questions?

An hon. member: Oh, oh.

Mr. Andre: There is the member for Broadview—Greenwood heckling again from his seat. He is constantly heckling.

I think this is something that as House leaders we should discuss. As far as I am concerned everything is on the table.

Mr. Thompson: Madam Speaker, with all due respect, you indicated that I was not in my seat. We have three names on the so-called list to which the member from Nova Scotia referred. I was number three on that list. In fact number two on the list did not have a chance to ask his question. We had 30 questions in this House today. On this side of the House we had one single question. It has nothing to do with me being in my seat. It has a whole lot to do with how many questions we on this side of the House are allowed to ask. In all due fairness, we did not have that opportunity today and I object to that strongly.

Madam Deputy Speaker: I can show the hon. member the list as I have it. On the government side it was the number two person who was recognized. At one point he was the only one who rose.

I think I have answered this. I do agree and realize that today there was only one question from the government side. Some days there are three and some days there are two. It all depends. The Speaker does whatever is possible. It depends on the length of the questions and on the length of the answers. There are 45 minutes. I think in 45 minutes when 28 or 29 questions are put we have divided the time fairly adequately.

I am sorry the hon. member could not put to the minister the very important and interesting question that I am sure he had today. Hopefully it will be done during the next Question Period. It is very difficult for the person in the chair to decide or to choose. It has been very difficult in the last little while.

We have had a motion before the House on decorum. It asked all kinds of things of the person who was occupying the chair. It sometimes appears from the floor of the House to be very easy to make all the right decisions. I can assure you that all occupants of the chair are doing their best to be fair and to be just.

There are problems with Question Period and I will be the first one to admit that fact. All chair occupants would welcome guidance from hon. members. There is a House management committee, and I think the conduct of hon. members during Question Period could be a subject that is well within its mandate to discuss. That committee may wish to discuss it again and get together and make a formal request. I am sure the Speaker and myself would be delighted to talk with them and come to a better understanding. It is very difficult after every single Question Period to have one member or another saying: "I did not have my chance to speak".

While we were discussing the motion yesterday a member rose and said that if a question is put and a supplemental does not seem necessary the Speaker should recognize somebody else. That is something I did a couple of weeks ago and a person from the hon.

member's party rose on a point of privilege because she was not given a supplemental. What is the Speaker to do?

I enjoy being at the service of the House and I do try to do my best. I am not a robot and I am not a perfect person. I am just a member of Parliament like all of you. I do thank all those in House for their collaboration and understanding. I can assure them that I will continue to do my best to be a good servant of the house.

Some hon. members: Hear, hear.

Mr. Dingwall: Madam Speaker, I just wish to reaffirm our support of the Chair and of its decisions both today and on prior occasions.

I believe it to be quite important for future deliberations that the suggestion by my hon. friend opposite be given serious consideration. The hon. member stated that he was third on a list that was given to the Speaker. The Speaker did not get to him because the second person on the list did not get reached. There is still a way for hon. members who do have questions to be able to put them. If there was a disposition in the House, unanimous consent could extend the length of Question Period in order to accommodate that particular member.

I want to concur with the comments of the government House leader that the substantive aspects of Question Period ought to be reviewed in some form. We all know that the management committee has a subcommittee that is looking at some of those aspects. However I do not want it to be implied in any way, Madam Speaker, through you or from members opposite that the fundamentals and traditions of Question Period would be markedly changed in any way by those discussions that would be taking place in the subcommittee.

In conclusion I would say that I understand the difficulties the Chair has in recognizing members that wish to be recognized in Question Period. That is why we have tried to facilitate the Chair in providing a list from this side. I think it is only reasonable when you have 300 members of Parliament who are in the House at any given point in time that wish to be recognized for any particular thing. It is somewhat new to find out that the government now has a list that it submits on a regular basis. We were under the clear belief and understanding that Question Period was probably one of the most primary tools available to opposition parties and opposition members in order to make the government accountable for its particular actions.

• (1220)

Finally, Madam Speaker, I say to you and to members of the House that perhaps the hon. members opposite ought to be cognizant of the fact that there are numerous times—

An hon. member: More and more.

Mr. Dingwall: —notwithstanding that—

An hon. member: Let us reply.

Mr. Dingwall: Madam Speaker, I am trying to make a point here which I believe is quite important. The hon. member—

An hon. member: It is not really the point that comes out of your mouth.

Madam Deputy Speaker: Please. The hon. House leader.

Mr. Dingwall: Madam Speaker, I will conclude with this. Hon. members opposite, and I refer to one who is a very able, very sincere colleague in this House, Guy Saint-Julien, has been up over 500 times in Question Period and on Standing Order 31 since 1988. So I do not accept the—

Some hon. members: Oh, oh.

Madam Deputy Speaker: I thank the hon. Liberal House leader for his help. I know that I will be able to count on his support.

I will listen the last time to the hon. member for Carleton—Charlotte, who has been seeking the floor.

Mr. Thompson: Madam Speaker, I take seriously what you mentioned in terms of doing your best. We all attempt to do your best in this House. That is probably the frustration that I and many others experience from time to time, and you as well, that we do attempt to do our best.

I have a suggestion, Madam Speaker, for what it is worth. You alluded to some opposition members being concerned because they were not allowed a supplementary. I believe that the supplementary question is where the abuse within the system takes place. According to Beauchesne, there should not be a prelude to a supple-

mentary. That is where the problem begins. If a supplementary question was confined to the definition of what a supplementary should be within the rules of this House, a great deal of time would be saved. Another five or six members, whether that side or this side of the House could ask questions, and it would save a great deal of pain and suffering.

Madam Deputy Speaker: I thank the hon. member. He may want to bring his suggestion to the house management committee. I am sure they will study it before they make their recommendation to the Speaker.

[*Translation*]

Mr. Ouellet: On a point of order.

Madam Deputy Speaker: Yes, one at a time, please, the hon. member for Papineau—Saint-Michel. The hon. member for Fraser Valley East has the floor.

[*English*]

Mr. Ross Belsher (Parliamentary Secretary to Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Madam Speaker, if I might make one point, and I too recognize the dilemma that the Speaker finds herself in.

Has the Speaker ever considered trying to keep track informally of the amount of time that the questions are taking? Perhaps she could consider the amount of time that is taken up rather than trying to make sure that *x* number from each team get up.

Madam Deputy Speaker: That also is a very good suggestion. I will tell the hon. member that some of that has been done but it is also a very good suggestion for the House management committee.

[*Translation*]

Hon. André Ouellet (Papineau—Saint-Michel): Madam Speaker, I would like to point out that the previous Liberal government never gave the Chair a list of persons to be recognized during Question Period.

This practice of submitting a list comes from the Whip and the government House leader. It started before you became Speaker. A previous Speaker started the practice of accepting from the Conservative government a list of backbenchers who should be recognized by the Chair.

This practice did not exist before. Madam Speaker, this practice does not exist in the Parliament in London. The Chair has always maintained full discretion as to those who may ask questions during Oral Question Period.

I must say that of course I sympathize with the hon. member who claims that he was third on his party's list that was submitted to the Chair before Oral Question Period. I submit to you that this practice is not in the rules or parliamentary tradition and does not exist in the Parliament in London. I think that is one problem that government backbenchers have. They fully realize that there is some discrimination among them, because the member for Abitibi is always on the list and other members do not get on it as often as he does.

So I ask the Chair to review this practice which has been in effect since the Conservative government took power, whereby a representative of the House leader or of the Whip submits a list of names of those who the government thinks should be recognized by the Chair. This government practice should be abandoned.

[*English*]

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I listened to the hon. member for Papineau and he has made some very interesting observations and comments.

I think the time has now come where the Speaker should not entertain lists. The Speaker should make his own decision as to who rises when the time comes by looking at the members, knowing their history and their interest in subjects that are being debated. I think that is a power that the Chair has and the Chair should exercise.

I personally, and I am sure we on this side, would gladly support the Chair in eliminating lists.

[*Translation*]

Mr. Marcel Prud'homme (Saint-Denis): Madam Speaker, I have a great deal of esteem and respect for the chairman of the management committee, but I think he is going a bit too fast. What was just suggested, Madam Speaker, you who guide the destinies of this House with immense tact and great skill, should not lead you to conclude that this matter should forthwith be submitted to the Chair for consideration and a speedy ruling. The debate must go on. In fact, we are discussing the matter in the management committee. Only yesterday, my three party colleagues and myself were discuss-

ing those issues, under the very skilful chairmanship of the hon. member.

[*English*]

I am one of those who believes that the S.O. 31s should not be put through certain disciplines, but before we jump the gun it is a very important matter. Some may disagree. I have my own views and they are very strong. I do not like the system too much and it is very well know. That is why we are discussing it at the management committee.

I assure you, Madam Speaker, that under the chairmanship of the hon. member for Peace River, we shall go back to that as early as next Tuesday and next Thursday in the management committee. Therefore I would not like you to rule at this time because you are full of wisdom and you will want to take that under reflection.

Mr. Rod Murphy (Churchill): Madam Speaker, I have been trying to get up for about 25 minutes on this same point of order. I am glad I was recognized.

The suggestion by the parliamentary secretary sounds like it could be reasonable to many people but there are many problems with it. Since it was raised in the House, I would like to address it.

First of all, if everybody got up every day, nobody would know what the priorities are within a caucus. There is also a danger that the issues that are important on that day, whether it is a lay-off in a mine in northern Manitoba or whether it is something with regard to a government action that day, would never be addressed in Question Period. We may provide fairness, but we may not be relevant to the issues that matter to Canadians at that particular time. That would be the situation.

We all have a process within our caucuses to decide that if there is high unemployment or high interest rates that those are the issues on which we want to focus.

• (1230)

In addition, the government House said that it might be a good idea if we gave notice so that the relevant minister might be here. Madam Speaker, as you know I was on the list and I was not recognized. I could get upset that a Liberal took my spot, but I am not raising that as my specific.

What I would like to say is that the issue I wanted to raise results from a picket line that is occurring in Vancouver today because the government is trying to ship grain through Seattle. I could not possibly have given the government advance notice. There is no way.

I received notice of this particular picket line just prior to Question Period. It is an issue of some importance today and obviously, it is an issue that our caucus believed should have been raised today in the House of Commons. Giving notice for this question to be asked next Thursday or Friday would have done no good whatsoever.

I believe there has to be a system in place that enables people to raise the issues that are important at that given time.

Madam Deputy Speaker: I want to thank all hon. members who got involved in this long point of order or question of privilege, or whatever it was, when it all started.

I want to assure the House that I will continue to do my best. More than likely I will at times not find the right way to satisfy each and every one of the 293 members in this House, but I will continue to do my best. I also know that when there is a full moon something like this comes along.

* * *

[*Translation*]

SUPPLEMENTARY ESTIMATES (B), 1991-92

A message from his Excellency the Governor General transmitting Supplementary Estimates (B) for the fiscal year ending March 31, 1992, was presented by the Hon. Gilles Loiselle (President of the Treasury Board) and read by Madam Deputy Speaker to the House.

REFERENCE TO STANDING COMMITTEES

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, pursuant to the provisions of Standing Order 81(5) and 81(6), I move:

That the Supplementary Estimates (B) for the fiscal year ending March 31, 1992, laid upon the Table earlier this day, be referred to the several Standing Committees of the House as follows:

Since the breakdown of the Supplementary Estimates (B) for the various committees is detailed and the list is a long one, I would ask the consent of the House for the list to be printed in *Hansard* at this point, without being read.

Madam Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Madam Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

To the Standing Committee on Aboriginal Affairs

Indian Affairs and Northern Development, Votes 6b, 10b, 15b and L20b.

To the Standing Committee on Agriculture

Agriculture, Votes 5b, 15b, 20b, 30b and 50b.

To the Standing Committee on Communications and Culture

Communications, Votes 10b, 15b, L21b, 25b and 95b.

Secretary of State, Votes 5b and 30b.

To the Standing Committee on Multiculturalism and Citizenship

Secretary of State, Vote 15b.

To the Standing Committee on Consumer and Corporate Affairs and Government Operations

Industry, Science and Technology, Vote 100b.

Privy Council, Votes 1b and 35b.

Public Works, Vote L16b.

Supply and Services, Votes 1b and 5b.

To the Standing Committee on Energy, Mines and Resources

Energy, Mines and Resources, Votes 5b, L15b and 35b.

To the Standing Committee on Environment

Environment, Votes 1b, 5b and 15b.

To the Standing Committee on External Affairs and International Trade

External Affairs, Votes 10b, 11b, 20b, 30b and 35b.

Finance, Vote 25b.

To the Standing Committee on Finance

Finance, Votes 2b and 16b.

National Revenue, Vote 15b.

Privy Council, Vote 25b.

To the Standing Committee on Forestry and Fisheries

Fisheries and Oceans, Votes 1b and 10b.

Forestry, Votes 1b, 5b and 10b.

To the Standing Committee on Human Rights and Status of Disabled Persons

Justice, Vote 10b.

To the Standing Committee on Justice and Solicitor General

Justice, Votes 1b, 5b and 45b.

Solicitor General, Vote 20b.

To the Standing Committee on Labour, Employment and Immigration

Employment and Immigration, Votes 1b, 10b, 15b, 20b and 25b.

Labour, Votes 10b and 15b.

To the Standing Committee on National Defence and Veterans Affairs

National Defence, Votes 15b and 20b.

To the Standing Committee on Health and Welfare, Social Affairs, Seniors and the Status of Women

Employment and Immigration Vote 40b.

National Health and Welfare, Votes 10b and 15b.

To the Standing Committee on Industry, Science and Technology, Regional and Northern Development

Indians Affairs and Northern Development, Votes 30b and 50b.

Industry, Science and Technology, Vote 40b.

To the Standing Committee on Transport

Transport, Votes 1b, 10b and 26b.

Motion agreed to.

* * *

[*English*]

ORDER IN COUNCIL APPOINTMENTS

TABLING AND REFERENCE

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, I am pleased to table in both official languages, a number of Order in Council appointments which were made by the government. Pursuant to the provisions of Standing Order 110(1), these are deemed referred to the appropriate standing committees, a list of which is attached.

* * *

CONSUMER AND CORPORATE AFFAIRS

TABLING OF REQUESTED DOCUMENTS

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Madam Speaker, while I am on my feet, in response to a request

from the House leader of the New Democratic Party, I would like to table the documents that were referred to by my colleague the Minister of Consumer and Corporate Affairs during last Tuesday's Question Period, as requested by the NDP House leader.

I hope the NDP House leader reads them and learns.

* * *

INTERPARLIAMENTARY DELEGATION

EIGHTY-SIXTH INTERPARLIAMENTARY CONFERENCE

Mrs. Edna Anderson (Simcoe Centre): Madam Speaker, pursuant to Standing 34(1), I have the honour to present to the House, in both official languages, the report of the Canadian Group of the Interparliamentary Union which represented Canada at the 86th Interparliamentary Conference in Santiago, Chile, October 7 to October 12, 1991.

* * *

[*Translation*]

TRANSPORT

PRESENTATION OF FIRST REPORT OF STANDING COMMITTEE

Mr. Denis Pronovost (Saint-Maurice): Madam Speaker, I have the honour to present, in both official languages, the first report of the Standing Committee on Transport which examined Bill C-5, reported with amendments. I would like to take this opportunity to congratulate members of all three parties on the non-partisan manner in which they considered this bill.

* * *

[*English*]

MEMBERS OF THE SENATE AND HOUSE OF COMMONS CONFLICT OF INTERESTS ACT

MEASURE TO ENACT

Hon. Harvie Andre (for the Prime Minister) moved for leave to introduce Bill C-43, an act to provide for greater certainty in the reconciliation of the personal interests and duties of office of members of the Senate and of the House of Commons, to establish a conflict of interest commission and to make consequential amendments to other acts.

Madam Deputy Speaker: Pursuant to Standing Order 68(2), the motion is deemed adopted.

Mr. Andre (for the Prime Minister) moves that the bill be now read the first time and printed.

Pursuant to Standing Order 69(1), the motion is deemed adopted.

Bill read the first time and printed.

* * *

PETITIONS

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): Madam Speaker, it is an honour to present a petition on behalf of a number of constituents from Kamloops, British Columbia who are concerned with what seems to be the increasing level of lawlessness in Canadian communities and are simply making a case for more support for the Royal Canadian Mounted Police.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Madam Speaker, on another topic, again on behalf of residents of a number of interior British Columbia communities, the petitioners point out their very serious concern for the announced intention of a British Columbia company working with a California company to dam the North Thompson River at Valemount, B.C. in an effort to divert water to sell in San Diego, California.

The petitioners are obviously, and I support them enthusiastically, asking the Canadian government to state that it will not permit the transfer of our freshwater rivers into the United States.

IMMIGRATION

Mr. Mac Harb (Ottawa Centre): Madam Speaker, it gives me great honour to introduce today in the House a petition signed by many of my constituents who are calling on the government to step up its effort in dealing with refugee cases in exercising compassion.

Many of these refugees and their families are suffering from personal and economic hardships. Their futures are undecided as they await the slow refugee processing.

I submit this petition as the first of a series of many petitions to be submitted in this House later on.

PORT OF CHURCHILL

Mr. Rod Murphy (Churchill): Madam Speaker, I have the honour to present a petition signed by residents of many communities in Saskatchewan: Gladmar, Lake Alma, Buyea, Tribune, Outlook, Climax, Bracken, Orkney, Dinsmore, Beechy, Wiseton, Stony Beach, Moose Jaw, Regina, Alida, Storthoaks, Northgate and Oxbow; and in the province of Manitoba: Dauphin, Churchill, Warrenton, Snow Lake and Winnipeg.

The petition relates to the port of Churchill and calls for the federal government to ensure that at least 3 per cent of Canada's annual grain shipments be shipped through the port of Churchill, pointing out that with the increasing potential for eastern Europe and the Soviet Union, the expanding markets there, that grains and other products should be shipped through Canada's only inland seaport.

It is ironic that on the day when the Canadian government is trying to ship grain to Seattle and is contemplating shipping grain through the Mississippi system that our own ports in Canada are not being utilized.

• (1240)

I call upon the Government of Canada and the Wheat Board to recognize finally that they should be creating jobs in Canada and utilizing the potential of this country.

CHILD CARE

Mr. Brian O'Kurley (Elk Island): Madam Speaker, pursuant to Standing Order 36, it is an honour to present a petition on behalf of a number of the constituents of Elk Island who support the efforts of a group called 'Kids First".

The petitioners humbly pray and call upon Parliament to amend the Income Tax Act to ensure that child related benefits and deductions for child care are fair and equitable to all family structures based on financial need and irrespective of child care choice.

RU-486

Mr. Robert E. Skelly (Comox—Alberni): Madam Speaker, I have the duty to present a petition from approximately 200 people in my riding. I must state in advance that I do not agree with the proposals in this petition, though I do have an obligation on behalf of these constituents to present the petition.

The petition says that wherefore the undersigned, your petitioners, humbly pray and call upon Parliament to withhold approval of RU-486 and to prevent the marketing and testing of this drug to induce abortions.

NORTH THOMPSON RIVER

Mr. Robert E. Skelly (Comox—Alberni): I also have a petition from a number of people in the central interior of British Columbia calling upon the government to refuse the right of Multinational Resources to dam the North Thompson River at Valemount and divert that water to San Diego, California.

The petitioners call upon Parliament to urge the Government of Canada to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the United States of America and to state that our Canadian rivers are not for sale.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I have a number of petitions from folks in my constituency, particularly the communities of Sorrento, Tappen, Vernon and Canoe.

These petitioners are concerned about the announced intention by Multinational Resources to dam the North Thompson River at Valemount and divert that water into the California market.

The petitioners are further concerned that under the provisions of the Canada-U.S. Free Trade Agreement the export of bulk water from Canada to the U.S. would enshrine our obligation to maintain such exports even in the event of domestic shortages. They are urging the government to have a very serious look at this issue and to state very emphatically that we will not permit the diversion and export of major water sources in Canada.

UNITEL

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Madam Speaker, I have a number of other petitions. They are signed by residents from throughout the province of British Columbia and urge the Minister of Communications to oppose Unitel's bid to enter the long distance telephone market in Canada.

The petitioners are urging the minister to consult with affected parties, specifically those citizens living outside Canada's major urban centres in our more isolated northern communities who would be most affected by

increases in local rates should such an application proceed.

I submit these petitions on behalf of those citizens in those communities.

* * *

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk).

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, Question No. 130 will be answered today.

[*Text*]

Question No. 130—**Mr. Young (Acadie—Bathurst):**

With respect to the government's restraint measures for pay for 1991–92, has the 3 per cent salary allotment reserve account been removed from department budgets and, if so, (a) how will annual salary increments be met (b) how will increases in contracts be met (c) will departments be allowed to (i) transfer funds from other operation budgets (ii) offset salary costs from the capital vote (d) will offsets be allowed against contributions or grants and, if not, how will the salary costs be met?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): The February 26, 1991 budget of the Minister of Finance directed that departmental appropriations proposed in the 1991–92 Main Estimates be reduced by $500 million and indicated no funds were available in 1991–92 to provide a salary increase for public servants. Accordingly the Treasury Board ministers directed that each department's share of the $500 million, including the Salary Adjustment Reserve Allotment (SARA), be placed in "frozen" allotments against which no expenditures may be charged. Although these amounts have not been removed from departmental appropriations, the budget of each department has effectively been reduced by the total of any frozen allotments.

In respect of annual salary increments, all departments are provided an annual adjustment to their budgets based on an equal six tenths of one per cent of the forecast total of salaries and wages (not including allowances) to provide for these costs. This amount is a general average for the entire Public Service and takes into account that some employees are at the maximum rates of pay for their occupational group while others are moving through the range. This amount is included in the available salaries and wages budget and has not been frozen. Salary increments are exempt from the Public Sector Compensation Act.

The wage restraint legislation recently passed by Parliament has directed that all contracts with an expiry date after February 26, 1991 be extended for one year at a rate of zero per cent; therefore cost increases related to contracts expiring during 1991–92 will be limited to a few small occupational categories with all associated costs borne by the departments involved from within existing appropriations excluding frozen allotments.

If a department requires additional salary funds, it may request the Treasury Board to approve a transfer of funds from other expenditure allotments within the same vote—including funds originally budgeted for capital expenditures and/or grants and contributions; or in the event of available funds in other departmental votes, for example, the capital or grants and contributions votes, it may request Parliament to approve through the Supplementary Estimates process the transfer of funds from either of these votes to supplement its salary allotment. The Treasury Board policy in this respect is to ensure that such transfers will result in more efficient and effective programs.

[*English*]

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

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

Mr. Nunziata: Madam Speaker, I rise on a point of order. Can the member indicate whether Question No. 138 has been responded to and, if so, when it was responded to?

Mr. Cooper: Madam Speaker, I am just checking through the list. I must indicate to the member that the question has not been answered. We are still waiting for information from 13 departments at this point. We have collected from the others.

We will do all in our power to complete that to ensure that question regarding press gallery members and their contracts is completed.

Mr. Nunziata: Madam Speaker, may I have some direction. I understand the rules require that questions on the Order Paper be answered within 45 days.

Can the member indicate what the ramifications of that rule are? Is it a hard and fast rule, or can we expect that the government will answer questions when it is supposed to, and that is within 45 days?

Mr. Cooper: Madam Speaker, the government does try to meet the deadline of 45 days on all occasions. We are occasionally not successful, particularly when we are dealing with such a situation where the hon. member has asked us to survey all departments and agencies. He will know that is a considerable task because there are several departments and considerably more agencies.

One of the options available to the member is to transfer the question for debate. We would happily co-operate with him if he chose to do that. Otherwise I can assure him that I will continue to try to get those answers.

Madam Deputy Speaker: The question as enumerated by the parliamentary secretary has been answered.

Shall the remaining questions be allowed to stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

FEDERAL REAL PROPERTY ACT

MEASURE TO ENACT

The House resumed consideration of the motion of Mr. Loiselle that Bill C-3, an act respecting the acquisition, administration and disposition of real property by the Government of Canada, be read the third time and passed.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I want to address a very specific aspect of the proposed legislation. The area I want to address is what I would call post-disposition disclosure.

Before I am done here I think I am going to get angry again. I am going to get angry because in my view, and I have only been in this House three years, this particular section of this bill is probably the single greatest step away from accountability that I have ever seen.

I want to say to the taxpayers, the shareholders of Canada, beware.

This particular bill governs the procedure by which the government manages and disposes of Canada's real estate assets. There are a lot of those assets maintained for many different reasons, ranging from our national parks to our federal office buildings to land that has been acquired for future use by the federal government for military purposes. There are many uses and all of them, with very few exceptions, are good and far-sighted. What really comes into dispute, from time to time, is the management of those assets.

When our government disposes of these real estate assets it usually goes through a process of decision making inside the Public Service to decide whether the assets should be sold. Ultimately a decision is made. If the decision is to sell it can be sold by different means: public auction, bids can be received, or it can be listed for sale in various manners. However the goal is to coax out a fair market price for the real estate.

I do not have any general problems with the conceptual process. My focus is on the post-sale disclosure, that is the way the public finds out how the disposition took place and where the proceeds went.

I want to bring to the House's attention two separate instances when assets of this government were disposed of and the government refused, refused and refused to tell the taxpayers and Parliament exactly how the assets were disposed of. I want to refer to them specifically. The first one is in relation to the sale of the de Havilland shares to Boeing Corporation. Those shares were disposed of by use of an order by the Governor in Council, and for those who may be reading the debate or watching it, the Governor in Council is basically the collection of cabinet ministers by which the government puts into effect decisions of the government under statute and under regulation.

• (1250)

In the de Havilland sale, a statutory instrument, a form of regulation, was used. Under the terms of that regulation the shares were sold to Boeing and the proceeds taken in.

Madam Speaker, I want to tell you that over the last few months this government has refused to show Parliament what the statutory instrument was. That was a statutory instrument passed under a statute that says: "the government may sell or dispose by regulation". This government passed a regulation, a law of Canada, and has refused to show the law to Parliament. I cannot believe it. As I stand here, I cannot fathom how a government would refuse—how a Governor in Council would refuse—to show Parliament a law that was enacted under a law of Parliament. Yet that is precisely what has happened.

The joint committee for the scrutiny of regulations has requested that statutory instrument and the government has refused on the grounds that the statutory instrument was a cabinet order and contains confidences of cabinet.

I say to this House that if we cannot see one of our laws, we are in very serious trouble in this country.

That process is happening separate in a committee and that committee will want to see that statutory instrument.

There is a second case and it involves the payment by the government under what is called a remission order, the payment to a taxpayer of taxes which were collected and in relation to which the government feels that the taxes should be reimbursed to the taxpayer.

This particular remission order was called the Stelco remission order. Prior to the Stelco remission order involving payment back to the taxpayer of several million dollars, there were three other steel companies that had received remissions. With reference to that same committee of this Parliament, the minister of revenue has been asked for the details of the remission order, how much and to whom? This is the government paying back government money to a taxpayer. We have asked, and do you know what the government has said, Madam Speaker? "You cannot see it; you may not see how we have spent your money, reimbursed it to the taxpayer."

In relation to clause 16(1) of this bill, the operative section, the government is authorized to dispose of these assets. It simply says: "notwithstanding any regulation made under this act, notwithstanding any other law that may have been enacted, the Governor in Council may, in accordance with such terms and conditions as the Governor in Council"—that is basically the Prime Minister and his ministers—"shall determine or considers advisable, dispose of, sell, purchase, lease".

That authorization will presumably not happen by means of a regulation or a statutory instrument. It is going to happen because somebody writes it down on a piece of paper. I have already pointed out to this House that we cannot even see the statutory instruments that disposed of previous assets. If that is the case now, how are we on behalf of our constituents going to be able to see the piece of paper that is not even a statutory instrument?

How are we going to be able to see the terms of sale and what we have done with the proceeds from the sale of these assets?

With its subclause 16(1) the government is doing a complete and utter end run around on the accountability to Parliament. That is just totally unacceptable in this country. I thought we had procedures for accountability. This new section removes even the statutory or legal instruments that one could re-address and scrutinize.

The government does not even want to pass them. In subclause 16(2) the government is back on the old track of authorizing these sales, leases, dispositions, et cetera, by way of a regulation and by way of a statutory instrument.

I am saying to Canadians if they do not have a statutory instrument and if all they have is a wish list written down in cabinet among the ministers and the Prime Minister then we will never get to see it. Those documents are cabinet confidences which remain sealed for approximately 25 years. That is wilfully covering up what the government is doing with the sale of these assets and the disposition of the proceeds. That is totally unacceptable.

I pointed out these two instances involving the Stelco remission order and the de Havilland sale. Both are being addressed and I want to tell the House what we have had to do on this committee.

In a research discussion paper involving the statute prepared by the Library of Parliament it acknowledges that the Treasury Board chairman, a minister in this House, has said to the committee that looked at this bill: "Do not worry because you can use the Access to Information Act". It is that wonderful statute that permits us to gain access to government information. I know that statute is being successfully used all across government. I do not want to underestimate the effectiveness of that statute in many areas. But there are problems.

I want to point out that counsel to the Standing Joint Committee on Scrutiny of Regulations, as a result of the way the Public Service replied to our committee in relation to getting information about the Stelco remission order, decided to make a request under the Access to Information Act.

Here we have a committee of Parliament seeking out the information that it must have to do its job and using a statute that was created for the general public. It was not created for parliamentarians nor for committees of Parliament. We thought we would try it. The public servant involved said: "We are sorry we cannot tell you to whom we paid the money and how much it was". That is what the Access to Information Act yielded to this Parliament: zero.

It is a sham when this minister tells a committee of this House: "Do not worry. You will get your information under the Access to Information Act". If the minister really knew what was happening he would be embarrassed. He is either trying to fool us or he has been fooled himself. I like to think that he really does not know.

I hope he will know and I hope he will take into consideration the remarks that I and other colleagues have made in relation to that. The Access to Information Act will not work. If he thinks it does I would like to debate that. I am sure many other parliamentarians would also like to debate the subject.

• (1300)

If he is so confident perhaps he ought to be prepared to amend the Access to Information Act to link subclause 16(1) in this bill that says that the Governor in Council can do whatever it wants on a piece of paper without a statutory instrument, without a regulation, without passing a law. Subclause 16(1) would be addressable by all Canadians under the Access to Information Act.

I remind the House of the de Havilland share sale order and the remission order involving Stelco and the others. There are members from both sides of the House who are working on this. We are not giving up and we will do everything we can to force the government to account. When I address the issue in this bill about post-sale accountability I am trying to tell this House that I am angry because the government is not delivering. It is posturing. Cover up is the wrong term to use. There is non-disclosure. There is secrecy and the taxpayer is being shafted in the process because the taxpayer cannot call the government to account. The taxpayer does not know what is happening. These events could be happening in the classic back room. They are certainly happening behind closed cabinet doors.

I had to take note in this House earlier today when the government House leader skated right over the whole concept of Question Period as a vehicle or a mechanism for calling the government to account. It is a vehicle that has been used well by the opposition and a vehicle that can be used by its own members on the backbench. He forgot about that. That is a vehicle for calling the government and the ministers who sometimes have to sit in the House for 45 minutes and not be asked a question. But that process of bringing the Governor in Council, the cabinet, into the House and placing it there for questions from members who represent all Canadians is the process of accountability. It is all we have in this House during the day's proceedings.

I want to signal to the government that subclause 16(1) is a travesty. It is a vehicle that will not serve Parliament and the parliamentary function and it will not serve Canadians. We will not support it and I will do everything that I can as a member to make sure it is not passed.

Mr. Dennis Mills (Broadview—Greenwood): I want to ask my hon. colleague a question. It relates back to the member for Esquimalt—Juan de Fuca who asked before Question Period what the relationship is between the sale of the domed stadium by the provincial NDP

government in the province of Ontario and Bill C-3 respecting the disposition of Crown lands and Crown assets. The hon. member believed that we were bringing in that sale for strictly partisan reasons.

I want to remind my friend from the New Democratic Party, the member for Esquimalt—Juan de Fuca, that the sale of the SkyDome in Toronto is very much a part of what we are talking about in this bill today. The land on which the domed stadium in Toronto was built was Crown land. The federal government's contribution to the domed stadium in Toronto was through the Crown corporation CN. It was CN that made the contribution of those lands to the project.

I have heard estimates ranging from $50 million to $150 million in terms of the value of those Crown lands.

We have a situation in the province of Ontario where it can be debated. The press do not want to touch it. It is a mystery. I do not know why they do not want to touch it. I am not knocking the private sector that scooped this deal from the province of Ontario. It shows that they are pretty good operators. The problem is that a domed stadium is not just there for the Toronto Blue Jays or Argonauts. It is a tourism instrument that creates a lot of jobs in hotels and motels and in all the spin-offs from the tourism industry. When the Crown had access and participation in that Crown project we were able to have influence on the price of a baseball ticket or a hot dog or a beer. When it is put solely in the hands of the private sector we lose our ability to have influence on using this instrument for the purpose of the public at large.

We have a bill today that accelerates in an efficient way the selling off or the disposition of Crown lands. This makes me nervous. These are megadeals by and large. They should be given a proper analysis and a strategic long-range overview approach. We could be kicking ourselves in the butt five years from now and the taxpayers will never forgive us.

My colleague from Scarborough—Rouge River knows well the Harbourfront deals, the En Route deals and all the other deals that are related to the selling off of Crown assets. My question to him is: Does he not think that with only a year left in this government's mandate this bill poses some real dangers? Does he not think that the few remaining Crown assets may be discarded or disposed of in a manner where proper long-term study may not be able to happen?

Mr. Lee: I want to thank my friend and colleague from Broadview—Greenwood for that question and an opportunity to clarify.

The SkyDome issue is a good example. It is not a federal property. It is the property of a provincial government. Harbourfront certainly was a property of the federal government. It is a good example of the problem we may face if subclause 16(1) is passed. I pointed out earlier the difference between subclauses 16(1) and 16(2). Subclause 16(2) says the government may sell and dispose of these things by regulation whereas subclause 16(1) says it may simply do it. It is because of the reference to a regulation in subclause 16(2) that we have in this House a hook to find out about what happened.

I do not know exactly the process by which the SkyDome was sold off in Toronto. Let us say for discussion purposes it was a federal property. I will bet dollars to doughnuts that if the government used subclause 16(1) of this bill then after the sale it would say: "We cannot tell you all of the aspects of this financial transaction for two reason. The first is cabinet confidentiality. This deal was discussed around the table in cabinet and we have the right to confidentiality. Sorry, we cannot talk to you about this".

The second reason that is often used is what is called commercial confidentiality. When it sells it, it says: "The purchasers have asked the government not to disclose certain things because it would put the purchaser at a disadvantage *vis-à-vis* competitors". I do not buy any of that. When this government takes our assets and public property and sells it and takes in the money then our taxpayers have to know what happened. They have to know every aspect of that deal. There must be what we call transparency and accountability. As I pointed out earlier subclause 16(1) takes us back 500 years to where the king did whatever he wanted. We just walked away from everything that Parliament was supposed to be. I am disappointed to see it there. I am devastated that it is there. I cannot believe that it has come this far.

• (1310)

In any event, I hope that has answered the question and I hope the caution light is on. Please do not pass subclause 16(1) of this bill.

Mr. Mac Harb (Ottawa Centre): Madam Speaker, I would like to speak on this bill. I want to thank my colleague for his very nice presentation of our party position *vis-à-vis* this bill.

As you know, Mr. Speaker, the bill was introduced in order to repeal the Public Land Grant Act and to amend the Public Works Act, the Financial Administration Act and the Surplus Crown Assets Act, so as to consolidate existing generic real property legislation into one act. I think by itself this is something which is extremely important and a point well taken.

Another purpose of the bill is to simplify and modernize real property management in conveyance practices by the government.

A third aspect of the bill would not affect real property governed by special programs legislation. Examples of this are: the National Parks Act, the Indian Act and the Territorial Lands Act. The bill would also permit the use of conveyancing practices commonly used within the private sector, those making it easier to deal with the federal government.

All these objectives are good ones. These supposedly are the main reasons the government has moved on this bill.

Like any legislation of course it is extremely important to look at both sides of the issue. We have to look at the strength as well as the weakness in the legislation. To be objective, there are certain strengths in the legislation. It would consolidate under a single enactment all of the statutory authority for land management. It will define more clearly land management and it would reduce quite a bit the red tape in the system. What the bill does not do is specify the complete procedure of real property transaction.

Rather than repeating what my colleague was speaking about I will give some real life examples in my riding of Ottawa Centre.

Just a block away from the House of Commons we have a mall called the Sparks Street Mall which has three different partners. There is the city of Ottawa which owns part and parcel of that mall. There is the federal government which owns approximately 40 per cent of the mall in terms of real estate. The balance of the properties are owned by the private sector.

Mr. Speaker, you perhaps would be very disappointed to know that the overwhelming majority of those properties owned by the federal government are sitting empty. They have been sitting empty now for over two years. Many of those properties are in big need of a tenant and also in big need of maintenance.

I do not want to talk about the maintenance aspect of it. I want to talk about the tenant aspect of it. The federal government failed in a sense to manage its property on the Sparks Street Mall properly. As a result of its mismanagement not only has it caused my city to lose valuable tax dollars in revenues through business taxes, but also it negatively affected other businesses on the street. Therefore we have a mall with approximately 30 per cent of the businesses sitting empty. That is one example of the mishandling or the mismanagement of real property owned by the federal government.

What the government should do in a situation like this is either hand it over to the board of management of that particular mall so it can properly, efficiently and aggressively look for tenants to occupy those buildings.

It is not feasible at the present time because the federal government is asking for a lot of things from the private sector. As a result it is becoming fairly difficult for a tenant to occupy those properties.

Another example of government lack of action is found across from Parliament Hill. We have approximately 150 acres of land on Lebreton Flats which has been sitting idle and empty now for approximately 25 years. In the winter the Regional Municipality of Ottawa—Carleton, an organization that represents 11 different municipalities in our region, uses it to dump snow. In the summer a part of the flats is used for campers, balloonists and people who might want to take a walk or others who might want to walk their dogs.

The federal government through its agency the National Capital Commission has discussed the issue of consultation with the city of Ottawa and the Regional Municipality of Ottawa—Carleton. The NCC has had consultation with members of the private sector. It appears to have come to grips with the issue and seems

to be moving ahead. But there seems to be a failure in terms of the process.

Here we have a very valuable piece of property. There are claims that there is some sort of contamination on or underneath that property. There is a tremendous effect on the surrounding environment. There have been calls by members of the community for the government to undertake some sort of environmental review assessment. The government is quite slow in its action and as a result it is causing quite a bit of alarm in the community and a lot of frustration.

Just looking at those two examples it seems to me the government has been slow in its action. I will mention another example. We have millions of square feet of office space in our city which are empty. Many of those offices are owned and operated by the federal government.

This is a time when the departments of the federal government are looking for space. But it seems that the first thing we do is look at the market and run out to rent the first available piece of real estate in terms of office space. We move in without really taking the time and energy to look at what we have as a federal government in terms of office space.

As a result we have empty buildings owned by the federal government while we are using taxpayers' money to go out and rent other offices at market value. That is good and bad. It is good in the sense that we are injecting money into the community. I should be very grateful for that.

It is bad when we look at it in the sense that we have hundreds of empty offices out there that are owned by the federal government. Here, Mr. Speaker, when we talk about proper real estate management, one would ask; why would the government not have some sort of a data bank in every region and all across the country, so that we would know exactly how many square feet we have in terms of office space, in terms of commercial space, in terms of residential space and in terms of land? From the data base you could determine your needs, not your needs two months from now or two years from now, but analyze the needs over five years, 10 years, 25 years, and for that matter even over 50 years. You are then properly managing your assets in terms of real estate holdings, and in parallel with that you would look at your requirements, and you match the two together.

• (1320)

That is what I would call proper real estate management, proper land management, efficient management.

We have to streamline our system, Mr. Speaker. I mean, this is fine, this is a first step. But I did not see anywhere in the bill where it really does specifically address this whole question of government needs and government requirements over the long term.

I was the critic for public works and I was extremely impressed by the quality of administrators, the quality of public servants in our government. We have the finest public servants anywhere in the world. But over the past number of years we have been tying them down to their chairs, tying them down with bureaucratic red tape and not giving them the freedom to present our government and our House with a good idea that could be used in the best interest of Canadians.

I would go on and outline some other terrible things that have been happening in land management and real estate management, but I would like to contain my comments to the issues very close to my heart and to my city. That is why I have given the example of the Sparks Street Mall, with all of those empty buildings sitting there, not being put on the block so a tenant could move in and rent them. I also gave the example of the LeBreton Flats where the government has not yet moved on an environmental review assessment so they can proceed with some sort of a balanced development. I wonder how many other examples there are elsewhere across the country that would fit this particular description.

To sell or not to sell is, of course, a hypothetical question. I think that if the government has a piece of property that is of value to the interests of Canadians, that piece of property should remain in the hands of the federal government with an option, with the opportunity and the possibility of profit in the future. Because if a home today is worth $100,000, tomorrow it is going to be worth $105,000 or the year after it might be worth $110,000. So there is no loss in terms of the government interest but the government interests have gained as we go further into the next decade.

So we should not really be in a hurry to say "I don't need this so I am going to sell it off"; we should look first at our objectives as a country. What are they? In the first place, (a) why did we make the purchase; (b) what can we do with the property now; and (c) what can we do with the property in the future?

I have to give a lot of credit to our administrators and our public servants. They have been terrific in that every time there is a piece of property that has been determined to be of no use to the federal government they have approached the provincial government, they have approached the municipality in question, and then they have moved on to other agencies—whether that was charitable organizations or non-profit organizations—and if nobody showed an interest in it, it would then go on the selling block.

Those are good things that are happening, but there is an need to overhaul our system in terms of our land management and real estate management, to compare what we need versus what is available. This bill does not deal with that at all.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I want to compliment the member for Ottawa Centre for his remarks on this bill.

I have a very specific question to put to him. We know that this government has this itch to sell just about everything that is part of the national government's inventory. Does he believe and does he share the view that this bill is basically going to put the Crown assets on a fast track in terms of the government's ability to further dispose of same?

Mr. Harb: Mr. Speaker, I want to thank my colleague from Broadview—Greenwood on his excellent question.

Yes indeed this will speed up the process. There is no question about it. It will free the hands of the government to quickly start selling our assets in the Crown corporations.

Mr. Speaker, a lot of terrible things are happening in our society right now. We are frightening the people in our society with this question of the deficit. As a result of that, every time our government wants to do something terribly bad, it uses the deficit to ease the pain and the minds of the people.

Look at the situation that our society has gone through over the past few years. Look at VIA Rail, for instance, Mr. Speaker. Look at CBC. I do not want to go very far. Look at Petro-Canada. Petro-Canada is a fine organization. It is a magnificent operation. It is doing extremely well.

An agency is out there to fulfil a mandate, an objective and to play a role in the society that we live in. It was put on the selling block. As a result, people in my area here are faced with paying some of the highest prices for gasoline anywhere in Ontario. That is anywhere in Ontario.

The agency was put in place in order to balance both the interests of the consumer and the interests of government together. The government has put it out for sale sacrificing the interests of Canadians for the sake of collecting a few dollars to put toward the deficit.

Is that fairness? Just yesterday, the government was going through the sale of Telesat Canada. That is a magnificent corporation. It is a model corporation where we have a perfect example of a partnership between the public sector and the private sector. It is one of the finest institutions anywhere in the world. The government in the name of deficit reduction is putting it on the auction block. That is terrible.

My colleague from Broadview—Greenwood raises this question. This is exactly what he has in mind. He wants me to burst out with my frustration over what the government has done with some of our finest institutions. It is a terrible thing for us to do. As a government and as a society, we have started selling the furniture in order to pay the rent.

The way we can deal with all of the questions such as deficit and deficit reduction is through investment in our youth and our children. It is through investment in combating illiteracy, through investment in education, through improvement in productivity, putting money toward training and retraining of our workforce, putting an infrastructure in place. It is not in selling everything that this country stands for.

What a shameful thing. I want to apologize for getting a little out of hand on this issue but I get frustrated every time I see this government moving with all those terrible, terrible decisions to sell institutions that we pride ourselves in as a society. It is one of the finest countries in the world. It is one of the most compassionate countries

in the world yet we are selling the furniture in order to pay the rent.

I am afraid—the hon. member is giving me the look—that the next thing we are going to see on the selling block is the House of Commons. We will privatize it, Mr. Speaker.

The hon. member was dead on in his question.

An hon. member: Investment.

Mr. Harb: Of course. He has a defence for everything. There is a defence for everything. The hon. member is trying to defend the government action.

In 1969, there was the Telesat Act. I am going to give this example again, because it really irked me.

• (1330)

In 1969 when the Telesat Canada Act was introduced, the main purpose of the act at the time was for the federal government to enter into a partnership with the private sector so more money could be injected into research and development. That is what the objective was, Mr. Speaker.

Now, 30 years later, we are still in the same situation. There has not been a lot of improvement in the area of research and development on the part of the private sector, so the mandate of the federal government has not been met. That being the case, why do we turn around and sell Telesat? Why, why?

Mr. Speaker, you will notice it is quiet on the other side of the House, absolutely quiet.

An hon. member: Don't worry, Mac, they have one year left, one year at the most.

Mr. Harb: The hon. member says one year. I cannot wait. I cannot wait. But the damage has been so great that I am just beginning to wonder where we start. Where do we start? Everything we stand for as a country is being questioned in the name of deficit reduction.

Everything that is going to be sold as a result of the enactment of Bill C-3 will be justified by any minister who is selling something by pointing out that the proceeds will go to the deficit reduction fund. It is a fund that will not kick in until 1996.

Mr. John Nunziata (York South—Weston): Mr. Speaker, I did not intend to speak on Bill C-3, but I have been listening to my colleagues in the Liberal Party speak on this bill and I became concerned about its provisions. It is not a bill that I was responsible for or paid much attention to until today. I am moved by some of the very persuasive arguments made by my friend from Broadview—Greenwood and other colleagues on this side of the House.

Much to my regret, I note that members of the Conservative Party and members of the New Democratic Party seem to be involved in some type of—and I use the term loosely—conspiracy to have this bill pushed through the House without much debate or consideration.

This bill is entitled an act respecting the acquisition, administration and disposition of real property by the Government of Canada. We have been told that this is a technical bill, that there is not much in terms of substance to the bill and to a large extent that is true. It involves a lot of technical provisions dealing with the disposition of Crown assets and, in particular, real property.

I was reading a summary of the bill from the Library of Parliament and it sums up the purpose of the bill as follows:

> Bill C-3 seeks to modernize and streamline the law governing most transactions involving federal real property. To this end it would bring together under a single statute the general authority for the sale, purchase, leasing and licensing of all manner of federally owned property.

That is a commendable goal, to try to streamline into a single scheme the sale and disposition of all Crown lands and assets. There are certain exceptions of course. Under this particular piece of legislation, there are certain lands and properties that do not fall within the ambit of Bill C-3, in particular properties that are governed under the National Parks Act, the Indian Act, the Territorial Lands Act, the Canada Petroleum Resources Act and the Fishing and Recreational Harbours Act. Any properties governed by those pieces of legislation will not be caught by the provisions of Bill C-3.

One of the major omissions of this particular piece of legislation is, as some of my colleagues have pointed out, a central depository, a place where any member of the public or any member of Parliament or any group or organization can go to determine what has happened to a particular parcel of land, to obtain information about a particular transaction involving a Crown asset or real property.

If this law is passed as is, if the Senate in its wisdom decides not to amend this legislation, then it will be somewhat difficult for someone to obtain the complete details of any sale of federally owned land, for example. That is a major omission in this bill. There is no central depository to provide readily accessible information on the federal government's property transactions.

I would like to refer to clause 4. It reads as follows:

> Subject to any other Act, no sale, lease or other disposition of federal real property shall be made and no licence shall be given in respect of federal real property except in accordance with this Act or on the authority or direction of the Governor in Council.

In other words, all federal government property has to be disposed under the provisions of Bill C-3 unless there is another piece of legislation. I referred earlier to several examples: the Indian Act, the Territorial Lands Act, the Canada Petroleum Resources Act, et cetera. If those bills do not deal with the disposition of land then this bill will.

The bill defines real property in clause 2. It says:

> "real property" means land whether within or outside Canada,—

Therefore a property owned outside Canada, for example our embassies abroad or other official residences abroad, comes within the mandate of this particular bill.

> —including mines and minerals, and buildings, structures, improvements and other fixtures on, above or below the surface of the land, and includes an interest therein.

We are not only talking about the sale of land but also about leases. We are also talking about property, defined in a liberal sense. It includes any structures, improvements or other fixtures on, above or below the surface of the land.

We then turn to clause 16 to find out what this all means. Clause 16 is entitled *Powers of Governor in Council*. We know that the Governor in Council is the cabinet. The Prime Minister and ministers of the Crown together are known as the cabinet.

Clause 16 provides the power that will be given to the cabinet, the Prime Minister and the ministers of the Crown in dealing with the disposition of federally owned land.

Subclause 16 (1) refers to the cabinet and reads as follows:

> Notwithstanding any regulations made under subsection (2), the Governor in Council may, on the recommendation of the Treasury Board—

And the minister responsible for the Treasury Board. It continues:

> —in accordance with such terms and subject to such conditions and restrictions as the Governor in Council considers advisable,

The bill goes on to list about a dozen or more different powers that the cabinet would have. The main power or the main jurisdiction is in paragraph (a). The cabinet may:

> —authorize the sale, lease or other disposition of any federal real property for which sale, lease or disposition there is no provision in or under any other Act;

What does that mean?

Mr. Lee: A back room deal.

Mr. Nunziata: My friend from Scarborough talks about a back room deal. That is exactly what this bill would allow. Let me give an example.

• (1340)

If the government in its wisdom—and there is some question as to the amount of wisdom this government has these days because of its philosophy to sell, sell, sell government assets, in effect to sell out the country—decided to sell Pearson International Airport in Toronto to the private sector, to developers, could it?

We have to determine first whether Bill C-3 would apply to such a sale. If we look at what acts of Parliament are excluded from this particular legislation, the National Parks Act does not govern Pearson International Airport, the Indian Act does not govern Pearson International Airport, the Territorial Lands Act does not, the Canada Petroleum Resources Act does not, and the Fishing and Recreational Harbours Act does not. Presumably then Bill C-3 would apply if passed into law.

Bill C-3, clause 16, says that the cabinet may authorize the sale, lease or other disposition of any federal real property for which sale, lease or disposition there is no provision in or under any other act. Therefore the cabinet would have the go-ahead, the green light, to consummate a back room deal with whomever it pleased. There would be no debate in the Parliament of Canada over the disposition or sale of Pearson International Airport or any other airport in Canada or any other real

property owned by the Government of Canada governed by this act.

Is that what we want to do? Is that what we want to give to the federal cabinet, whether it be this cabinet or the new cabinet that will be sworn in once a Liberal government is elected? Do we want to give a cabinet the authority to sell off assets without reference to the House of Commons?

I submit not. That would lead to secret back room deals. There would not even be a central depository where the documents relating to the sale would have to be deposited or filed so that Canadians could see the nature of the contract or see through some of these potential back room deals.

The ramifications of Bill C-3 are far-reaching. As I indicated when I began speaking I did not intend to speak on Bill C-3. However I became concerned earlier today when I saw the minister stand up and applaud the NDP and the NDP stand up and applaud the minister. When the NDP and the government are in bed together one knows that something is amiss. Then I understood why the NDP might be supporting Bill C-3. It was an NDP government in the province of Ontario that sold off the SkyDome, is in the process of literally giving the SkyDome away in order to plug a few holes that it has in its fiscal and financial situation.

As my colleague from Ottawa indicated, you do not sell the furniture to pay the rent. That is what Bobby Rae and the rest of his comrades at Queen's Park are up to today. They are selling off the furniture to pay for the horrendous deficit that the province of Ontario finds itself in because of the ill-conceived policies of Bob Rae and his band of socialists at Queen's Park.

We can understand why the NDP wants to support Bill C-3 and does not want to make too much of a fuss over it. That is because Bill C-3 would give to the federal cabinet the same type of authority that Bob Rae has at Queen's Park to sell off assets or enter into cosy deals with developers or major corporations without any reference or authority from the legislative body, that is the House of Commons.

It seems to me that in the circumstances we ought not delegate or legislate away authority that this House has regarding the disposition of federal assets. The way this bill is worded would leave complete discretion in the hands of the cabinet. As I indicated, it could be any cabinet, present or future. It is not something that I believe this government ought to do.

I see I have the support of my House leader from Nova Scotia on the point. I am pleased. I understand that he may be speaking to this bill as well concerning how this bill will affect his constituents in Cape Breton. I know that his constituents would be as concerned as my constituents with respect to this legislation.

Let me conclude by saying how concerned I am about this bill, the fact that it has progressed so far. I would hope that the Senate will carefully scrutinize the provisions of this bill to ensure that it is in keeping with the public interest. The public interest, I would submit, would require that this House continue to have authority over the disposition of major real assets that belong to the people of Canada.

We are not talking about and I am not speaking of surplus land that is minor in nature, where you might have a few lots here or a few lots there that some particular ministry of the Crown deems to be surplus. I am talking about major assets such as—

Mr. Mills: Downsview air force base.

Mr. Nunziata: —the Downsview air force base, the Pickering lands, for example. A number of my colleagues and I were speaking just a few moments ago about the disposition of the Pickering lands. At the present time the powers that be have deemed it unnecessary for a second major airport be built in metropolitan Toronto. Under this bill the cabinet could just sell off that land without any reference or debate in this House. There is no over-all mechanism or central depository that would determine whether down the road that land might be of use to the federal government for some other purpose.

In closing, Mr. Speaker, let me simply ask that the Senate carefully scrutinize this bill to ensure that the public interest is dealt with in a fair and reasonable fashion.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I have a question for my colleague from York—South Weston. I note that the minister is here listening to comment and debate on his bill. I want to make a constructive comment here to address what I and

others on this side, and maybe some members on that side of the House, believe is a very significant defect in this bill in relation to clause 16(1). The minister knows that the government is on weak ground on that clause. It has been commented on before. If he has read the commentary from the Library of Parliament, if he has followed the committee, I think he senses the issue that we are getting into.

I want to ask my colleague if he thought it would be useful—the minister is hearing this as well—to amend clause 16(1). There is no regulation or statutory instrument reference. If any sales or dispositions occur, the authorization might be on the back of a telephone message slip, on a piece of paper. Presumably it is in writing or in a cabinet minute, but in any event an authorization is given with no statutory instrument or regulation. If clause 16(1) could be amended to provide, for example, that any authorization which takes place under clause 16(1) would take place by way of a statutory instrument and be deemed to be referred to either the public accounts committee or the joint committee for the scrutiny of regulations of this House, that would provide a mechanism by which Parliament could structurally *ex poste facto* oversee the kinds of transactions, which could be backroom deals, envisaged and for which the groundwork is laid by clause 16(1).

Mr. Nunziata: Mr. Speaker, I think that is an excellent suggestion. Any provision or mechanism that will allow for public scrutiny, that will allow members of Parliament and others to look at or to examine in a public way the disposition of federal land or federal property is helpful.

• (1350)

My colleague makes a suggestion that would allow for the disposition of a certain piece of property or the lease of a certain building to be referred to a committee so that a committee could consider, debate and discuss the matter. Anything that would provide for that I would support.

I would also like to see a central depository where there would be a registry office of all federally owned land. Any proposed sale would have to be entered into this depository and all contracts and papers involving a particular sale or lease of a piece of federally owned land would be filed at this particular location so that members of the public would have access in order to examine them.

I like my friend's suggestion that the section be amended to permit committee consideration and overview.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I have a question for my colleague from York South—Weston. The Public Service of Canada administers these Crown assets, whether they be airports, post offices or Department of National Defence institutions and properties. We are in no way, shape or form questioning their judgment or their administrative abilities of these Crown assets.

However, if the political will of the government of the country decides that its public policy is one of dismantling, then it is the responsibility of the Public Service to follow its instruction.

I wonder if it might not be a useful exercise if we on this side of the House suggest to the public servants from coast to coast to coast, that manage and administer our Crown assets, to go through some kind of a review and see what possible mid-term or short-term use, not only for their own department but for other departmental uses, could be made of Crown lands. That way, rather than the expeditious sale of these lands, which this bill is going to provide for, it might be brought to the attention of this House some of the long range vision of the public servants that are in the field in every part of this country.

In other words, we sit here in this House and we sometimes do not fully comprehend or understand the long-term potential of a Crown land or a Crown asset whereas the public servant, because he is there might see the potential because he is part of that marketplace. Therefore, he or she may be victim of a directive of the national government and may not have recourse to present ideas to us for their long-term potential.

I would just like to have my colleague from York South—Weston react to that.

Mr. Nunziata: Mr. Speaker, I would like to thank my colleague from Broadview—Greenwood for asking that question. It is an excellent question.

The point he is making is that if a particular department or ministry deems a particular piece of land to be surplus, does that necessarily mean that it is surplus to the needs of all ministries and all departments?

I have reviewed this bill and I do not see any mechanism that would require the government to canvass the entire federal government. Perhaps the minister can cite the section in the bill.

The minister indicates that there is something in the bill that would require that, as a matter of law for that to happen before land is sold or disposed of.

A quick reading of the bill tells me there is not such a provision. Therefore a particular piece of property may be deemed surplus by Canada Post. Yet, Public Works or the Ministry of the Solicitor General might have some use for that particular parcel of land.

We might find ourselves in a position in which one arm of the government is doing something that could adversely affect another arm of government. I would hope that if there is something in the bill it is highlighted so that people are aware of it and that departments of the Crown know of it.

I appreciate the question from my colleague from Broadview—Greenwood.

Mr. Mills: Mr. Speaker, I have a short question for my colleague.

One of my greatest concerns about this bill is the long-term conditions that may exist in this country. There are billions and billions of dollars worth of Crown land and Crown assets in the province of Quebec.

I would like to know what ramifications a bill might have in relation to properties whose lower value, because of the tough economic period in the province of Quebec with the national unity debate, may be an attraction to shrewd buyers. That essentially removes the federal presence from the province of Quebec.

Quite often, we know from the past in western Canada, it has been the federal presence through all departments that has held this country together. I am very nervous about this bill and its ramifications *vis-à-vis* Crown lands in the province of Quebec.

I certainly hope that there is no sub-agenda here concerning that province.

Mr. Nunziata: Mr. Speaker, my friend again asks a fairly serious question about what impact this bill will have if a certain option is followed in the province of Quebec.

I do not know whether an inventory has been done. I do not know whether, in the province of Quebec or the province of Ontario or any province in this country, an inventory exists of all federally owned property.

We are not talking about legal jurisdiction here. We are not talking about land that may be within the boundaries of the province of Ontario, the province of Quebec or any other province in the country. We are talking about the owners, the legal title holders of certain property in different provinces.

Mr. Mills: It could give it to the province.

Mr. Nunziata: Yes. My friend says that under this particular bill the federal government, in order to further certain political goals, might decide to hand over or to transfer certain federally owned lands to a provincial government.

I would hope that somewhere there is some central inventory of all property owned in each of the individual provinces. I think that our legislators, whether in Quebec City, at Queen's Park or in any other provincial capital, will certainly be surprised to see the extent of federally owned property in each of the individual provinces.

Mr. Len Taylor (The Battlefords—Meadow Lake): Mr. Speaker, I have a short comment for the Liberal member from Toronto who cannot seem to get over the fact that the Liberals lost the provincial election there last year. The people of Ontario spoke very loud and clear in that election to indicate that they were tired of the mismanagement of the province and of the kinds of deals that led to the deficit the SkyDome ran up. In a democracy like Canada the people have said they want New Democrats to clean up a Liberal deficit in Ontario, a Conservative deficit—

• (1400)

Mr. Lee: Mr. Speaker, I rise on a very short point of order. I am sure every member in the House right now subscribes to the rule of relevance. I cannot imagine, for the life of me, where that particular issue came from. I would simply ask members, as I am sure the Speaker would, to try to be relevant.

The Acting Speaker (Mr. Van De Walle): I am sorry to indicate now that the time has expired for the questions and comments.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, I had not originally intended to speak on this particular bill. However, I am glad I was here in the House and had the opportunity to listen to our Liberal colleague from York South—Weston and the comments he made with regard to the disposal of real properties.

To be blunt, I was quite offended by the comments the member made about the decisions made by the provincial government of Ontario about the sale of SkyDome. That comment is very pertinent in terms of the bill before us.

The New Democratic government of Ontario has disposed of the assets of SkyDome because it is trying to clean up a financial mess it inherited as a result of the financial administration of the previous Liberal government in Ontario.

I want to make it very clear that my colleagues in the New Democratic Party and I are supporting this legislation and supporting the government on this particular bill because it makes sense. We are prepared to support the government whenever it does make sense. This particular piece of legislation is pragmatic and will be effective.

The Liberals are opposing this piece of legislation. They are criticizing it. I say to them that any person running a small business would agree with my sentiments that rather than laying off workers or imposing wage restraints on workers, if the revenue of a company has decreased because of tough economic times, perhaps one of the most practical things to do is sell off, to disperse the assets of real properties the company owns. It does make sense, provided that the capitalization of those real properties can be recovered and those assets reinvested in the Crown.

This kind of initiative does not make sense all the time, and there have been many such cases in the past. For example, the sale of the Expo 86 lands by the Social Credit government in British Columbia did not make sense because those lands were sold at a net loss to the province of British Columbia. My provincial New Democratic colleagues, in opposition at the time, did oppose that. The sale of those assets were essentially a giveaway. That did not make sense. That was a net loss to the taxpayers of British Columbia.

We have to examine it on an issue by issue basis. This particular piece of legislation does give the government an opportunity to review those real properties it is in possession of, examine the disposal of those assets and the recovery of the capitalization of those assets to enable to it to reduce the very real debt load that this country is carrying right now.

I would much rather reduce property expenditures than cut back on wages or jobs in the federal Public Service. We know that we face a very serious deficit problem, and I think the government's suggestion in this particular legislation is a practical way of tackling the problem head on.

I am not afraid to say that I agree with the government. This is a pragmatic piece of legislation that should be supported. Quite frankly it amazes me that the Liberal opposition is so willing to take any expedient political position which suits its own political needs. It is simply not paying attention to the pragmatic aspects of the bill before us.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, my question for the New Democratic Party member is this. We said earlier today that the efficiency of this bill is good. I said that after the minister spoke this morning and I repeat myself to the New Democratic Party member. It will be recorded in *Hansard*. I also said to the minister this morning that I have concerns which bother me about this bill because it tends to decentralize.

I did use the example of the domed stadium in Toronto not because the provincial Liberals lost the last election. I know that seems impossible for you to believe, Mr. Speaker, but the facts are the facts.

Is it right with a $700 million asset—where the Crown by the way was a minor partner because the land that the dome is built on is Crown land, national Crown land through CN—that we take that public policy instrument and move it into the private sector where we have no control on the pricing? Once the sale goes through there is nothing to stop the tickets from going from $20 to $40. There is nothing to stop the cost of a coke from going from $2.50 to $5.50.

In the short term, sure, this looks like a sweet deal because we are worried about the balance sheet in the province of Ontario. I submit we should be worried about the balance sheet. But they are not thinking long term. This has effects in terms of the food service and hospitality industry in the province of Ontario because

that dome is an instrument that attracts visitors from abroad. It attracts trade fairs. It is a very simple thing.

I cannot believe the New Democratic Party now is taking such a strong capitalist position. I am not against capitalism, but what I am concerned about is that the business of business is earnings per share. It is natural for those people who will now own the dome to make sure that they make a good respectable return on investment.

In governments the business of governments is to try to use those public policy instruments to maintain and preserve and promote jobs not only in the mid term, short term but the long term.

In this case the city of Toronto put $30 million into this, the province did in fact put over $30 million into it, the Government of Canada, through its land contribution put I believe at least $100 million into that. Then they turn around and sell it for $100 million and give away that ability to serve the greater community. I do not understand their logic.

Believe me, this is not a partisan thing. I just think it is bad business for the Government of Canada to take a taxpayers' asset worth $700 million and move it to the private sector for $100 million. It is no secret to anyone in this House. All of those people who bought that domed stadium are friends of mine. I salute them for getting such a good deal.

I am not here to argue for the gang or the group or the entrepreneurs who scooped that domed stadium. I am here to debate public policy. I did not plan on speaking on this bill today.

I want to ask the hon. member something. What is going to happen, God forbid everyone in this country, if a péquiste government ever got into the province of Quebec after the next election. With a bill like this, they could do land deals left, right and centre and our federal presence in the province of Quebec could virtually be destroyed. Is that the kind of thing that is going to galvanize and pull this country together? I do not think so.

With respect to my colleague from the New Democratic Party, my debate and concern about the disposal of Crown assets, I am not having this debate today because I am a Liberal and Bob Rae is NDP and this is the Conservative Party. I just fundamentally disagree with selling off Crown assets cheaply just because we are having a tough time. There are other ways of creating wealth in this country. We all know that there was no direct infusion of cash to the treasury of the national government in the last five or six deals this government has done. In fact, if you want to take it in simplistic business terms, if you have an asset that is on the books for $700 million and you go to someone who wants to buy in in terms of loaning you money, it is better to have the $700 million asset there because that at least will allow you to develop some leverage in terms of getting people who want to buy our Government of Canada bonds, or whatever, in terms of allowing us to function as a national government. But when you take a $700 million asset off the books, you lose your leverage in terms of the wealth of the balance sheet of the entire country. It is a myth that this thing addresses the deficit. It is a myth. Excuse me for getting so excited, but it is mythology that these things work at reducing the deficit of this country.

• (1410)

Mr. MacWilliam: Mr. Speaker, these are tough economic times, and during tough economic times governments have to make tough decisions. That is exactly the decision that the Bob Rae government has taken.

I want to say that the domed stadium—because I am answering the member's question—was an economic Trojan horse for the previous Liberal administration. The fact is that tough decisions have to be made. You have to decide whether you are going to reduce your real property assets, if you are going to reduce federal or provincial civil service jobs, or if you are going to increase the debt.

We know that taxpayers across this country, whether we are talking Ontario or British Columbia, are suffering from tax exhaustion. They cannot afford to have more taxes. So those kinds of tough decisions have to be made.

I want to reiterate again, Mr. Speaker, that the provincial Government of Ontario has been saddled with a real economic problem, largely because of major job losses as a result of the spin-off of the free trade agreement and the loss of markets and manufacturers to the south. Tough decisions have to be made.

On the other hand, this particular piece of legislation does provide a vehicle through which, in this case the federal government, can begin to tackle some of those debt problems. That is why we have said when a policy makes sense, as this policy does—and God knows, many times their policies don't make sense, but this one

does—we in the New Democratic Party are prepared to support the government. And we are supporting the government on this piece of legislation.

Mr. Nelson A. Riis (Kamloops): A short question, Madam Speaker, just a very short one?

Madam Deputy Speaker: I think the hon. member had the floor in the last one. The hon. member for Scarborough—Rouge River, there is a minute and a half left in the period for questions or comments.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I would like to address a very short question to the member for Okanagan—Shuswap.

If a transaction were to occur under section 16(1), a transaction which apparently will take place only by means of a cabinet minute, can he tell the House how he, as a member of Parliament, will be able to find out, *ex post facto*, afterward, the proceeds of sale, and to whom the property was sold and all of the terms of the deal? How will he find that out if he has not met with cabinet confidentiality—that is one reason he is going to meet, because the government doesn't release cabinet documents—and the commercial confidentiality exemption in the Access to Information Act? How is he going to find out for his constituents the terms of that sale?

Mr. MacWilliam: Madam Speaker, I said that this was a good piece of legislation; I did not say that it was perfect. The member fully recognizes that.

I agree with the member's concerns. At second reading, we are debating the principle of this legislation. I fully support the member's comments. The members of the NDP will be making a number of amendments when this bill reaches the stage where amendments can be made.

Madam Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

Madam Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

Madam Speaker: I declare the motion carried.

Motion agreed to, bill read the third time and passed.

* * *

MISCELLANEOUS STATUTE LAW AMENDMENT ACT, 1991

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-35, an act to correct certain anomalies, inconsistencies, archaisms and errors in the Statutes of Canada, to deal with other matters of non-controversial and uncomplicated nature therein and to repeal certain provisions thereof that have expired or lapsed or otherwise ceased to have effect, as reported (without amendment) from the Standing Committee on Justice and Solicitor General.

Hon. Gerald S. Merrithew (for the Minister of Justice) moved that the bill be concurred in.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I rise on a point of order. I seek the direction of the Chair in how we are proceeding with Bill C-35.

Because it was brought to my attention, I have given notice of my concerns to the parliamentary secretary as well as to the parliamentary secretary to the government House Leader. It pertains to Part III of Bill C-35. What this particular bill does is make technical amendments to more that 90 statutes that cover every facet of government activity. Part III of the act, bills introduced but not yet assented to, refers to Bill C-3 which we have just dealt with. It also refers to Bill C-4. Bill C-4 has yet to be assented to. It is before the committee. It is deemed to come for debate on Monday of next week. We have amendments to Bill C-18 which is before the financial committee. We have Bill C-19, which is on another federal statute which will be coming before the House on Monday and Tuesday of next week. We have Bill C-22 and Bill C-26. Bill C-22 is in a committee of this House and Bill C-26 has yet to be called for second reading.

This particular bill is asking for amendments to these particular statutes which are now in different stages before other committees of this House. I would ask the Chair for direction and guidance. I do not think we can

proceed with the bill when statutes yet to be assented to are before other legislative arms of this Chamber. Therefore I would suggest that if the Chair were to rule that I am correct in my assumption and in my intervention, I do not want to see the delay of the House, but I would suggest to the hon. member that we could proceed with report stage and third reading of Bill C-35 if in fact there was unanimous consent to delete Part III of this bill, which is before respective standing committees and the necessary amendments they are seeking can then be consummated and put forward at that time.

• (1420)

I know that the parliamentary secretary is seized by this particular issue and he will say: "This has gone before a standing committee and it has approved it", et cetera. I believe that procedurally we would be incorrect to proceed at this time.

My suggestion to members of this House is that if we are proceeding incorrectly what we ought to do to facilitate debate on other aspects of Bill C-35 is give unanimous consent to proceed with Bill C-35, thereby deleting Part III of this particular statute.

I would ask the Chair for some guidance. This particular grievous error has just come to my attention in the last number of minutes.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I listened with interest to my hon. friend, the House leader for the Official Opposition. He certainly has at least a potential point when he raises the dilemma we face considering report and third reading stage. Clearly, as my friend as pointed out, Part III refers to a number of bills that are in various stages of process in the system, not necessarily all completed.

Those who have studied Bills C-3, C-4, C-18, C-19 and C-22, in particular, will realize that the amendments we are looking at are very straightforward, but they go beyond the normal provisions within that legislation. Therefore I do not think they would actually be in order to go through the normal amendment process.

I like the general argument of my hon. friend. However, when we look at the specifics of this legislation, and those of us who are here today have studied these in some detail, in many cases they do go beyond the provisions of the bills referred to: Bill C-3, the real property bill; Bill C-4, the Bank Act; and so on.

I do not think we could actually follow the suggestion that my hon. friend provides in reality. I have another proposal that would allow us to continue with report stage and third reading of Bill C-35. Madam Speaker, rather than seek a ruling from you at this point, or a judgment or some direction, we agree on consent among ourselves.

While the point made by my hon. friend has some merit, my proposal is that we would agree to proceed with the understanding that this does seem to be going against the rules in many respects. However we agree that the legislation, Bill C-35, will not be proclaimed. In other words, it can go through the various stages but it will not be proclaimed until all of these bills have been dealt with by Parliament. That would ensure that, at least in the final analysis, before this bill is proclaimed and becomes law, Bills C-3, C-4, C-18, C-19, C-22 and C-26 would have passed through Parliament.

That is a way to get around this dilemma which will allow us to proceed in good faith, yet acknowledge the good argument my friend put forward. We would agree to proceed by consent, regardless.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, I have been listening with a lot of interest. I am not usually in the House to make procedural arguments. As one who is not fully familiar with all of the rules of the House I recognize the concern that this is addressing bills that have not yet been completed, that these bills are in various stages of being processed through the House.

I do wonder why this question was not raised during second reading, when it would have been more appropriate. It has passed through the standing committee where members from all parties not only reviewed this but went through the questioning process as members of Parliament on the same question, although the process may not have dealt with the procedural aspects.

It was the opinion of the standing committee that Part III should proceed to the House unchanged. It is my understanding concerning the impact on the real world out there that this legislation makes only technical changes.

I think all would agree that whether this is passed today or we are able to make changes to the original bill there will really be no difference in terms of the impact on the real world.

The normal process, as I understand with this type of bill, is that we do want to achieve consensus. I have heard both arguments on how to proceed.

It is my understanding that if we unanimously choose to proceed or it is in order to proceed as recommended by the House leader of the New Democratic Party the government would oppose not proclaiming until all other bills have in fact passed.

Mr. Dingwall: Madam Speaker, I certainly do not doubt the member's sincerity about co-operation and consensus among political parties.

It is a bit of a red herring to suggest that because something has been passed at a committee stage and there is an error it is not incumbent upon those of us in this Chamber to bring that error to the attention of the House and then seek the guidance of the Chair to correct that particular error.

I am certain that the hon. member opposite realizes that members on the committee have done as thorough a job as they could under the circumstances in which the legislation is presented to them.

I am not attempting to delay the debate of the subject matter of Bill C-35 because I intend to be the speaker for my party and I have a number of concerns that I wish to put forward. However, I do seek the guidance of the Chair about whether I am correct or incorrect procedurally.

I would then be in a position to give my consent and my party's consent to proceed, depending on the decision. Madam Speaker, if you ruled against me we would proceed as normal. If not, we could make some other arrangements to proceed with the substantive debate on Bill C-35 at third reading.

I would be prepared to commence the debate on third reading while I await any decision that the Chair might want to render on this particular matter.

Mr. Riis: Madam Speaker, I am pleased to hear the very positive gesture put forward by my friend.

I would like to say on behalf of the New Democrats in the House that it is important that we proceed with this non-controversial yet very important bill. I choose to have a different view than my hon. friend.

Having read the bill and studied it at some length I do not consider it to be terribly controversial. I may have missed something but I do not think so. There are parts that are obviously critical and important but I have not found anything controversial in it yet.

However, that is not the point. The suggestion of my hon. friend is a good one. There are ways and means of proceeding with the debate today and of working out a mechanism between the parties so that we can see it completed rather than stop the debate while we await a decision.

I would concur that we begin the debate. If there are problems deemed appropriate for consideration I suggest we do that now to see if we cannot complete this debate before the end of the day.

• (1430)

Mr. Dionne: Madam Speaker, a point of order. We have just heard the proposition made by the House leader of the NDP. I still have some serious reservations about whether or not we can proceed with the bill when other bills are contingent upon it that are going to be authorized after the fact.

Madam Deputy Speaker: I want to thank all hon. members who participated in trying to help the Chair in this very difficult matter.

If I go back to the first point raised by the hon. member for Cape Breton—East Richmond, I do not feel that I can take out Part III from the bill and put the bill to the House. This would certainly not be correct. I do not know whether I could make that decision right now anyway.

I am quite prepared, if our hon. members wish by unanimous consent, to have the report stage concurred in. We can start third reading without agreeing to third reading. If there is unanimous consent that the bill would not be put to a vote today I am quite prepared to go with the report stage and start third reading. With the help of the officers at the Table we can try and sort out the very obvious problem which the hon. Liberal House leader brought to the attention of the House and of the Chair.

Mr. Dingwall: Madam Speaker, a spirit of co-operation has existed in this House since I have been here as opposition House leader with my colleague from the

New Democratic Party. I would be more than happy to concur with your suggestion. I would agree with that since I will have an opportunity to speak on third reading today as I am sure other members will also. Depending on the decision of the Chair the debate will not be concluded today. It could be held over until Monday. That is a very reasonable suggestion.

Madam Deputy Speaker: I thank the hon. member. What I suggest is that the report be concurred in. We will start third reading and if and when there are no more members asking for the floor on third reading we will allow the debate to be suspended to a later date without putting the question to the House.

Some hon. members: Agreed.

Madam Deputy Speaker: So the question was that Bill C-35 be concurred in at the report stage.

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

Some hon. members: Agreed.

Some hon. members: On division.

Motion agreed to.

Madam Deputy Speaker: When shall the bill be read the third time? Now?

An hon. member: Now.

Hon. Gerald S. Merrithew (for Minister of Justice) moved that the bill be read a third time and passed.

Mr. Dave Worthy (Parliamentary Secretary to Minister of Public Works): Madam Speaker, as all the members in this House have requested unanimously that I be brief I will promise the Chair and the House that I will do so.

Bill C-35 deals with the proposals introduced in 1990 under the Miscellaneous Statute Law Amendment Act. These proposals were originally tabled in this House and in the other place February 15, 1990. Since then the proposals were studied by the Standing Committee on Justice and the Solicitor General as well as by a committee in the other place.

The amendments that we see here to this bill are made possible by the miscellaneous statute law amendment program which was introduced in 1975. The program was established to permit minor technical amendments to federal statutes to be made without having to wait for more substantive amendments to be considered and prepared.

It is of interest that in the 16 years since 1975 we have used this process for six different sets of proposals.

The bill that is in front of us today contains the proposals that were unanimously approved of by both committees last year. Since the introduction of the current bill this year in the new session, Bill C-35, it has been studied and approved by the Standing Committee on Justice and the Solicitor General.

The standing committee was satisfied during its study that this bill contains only the proposals that were earlier considered by it and approved by it. As we heard in the procedural debate that preceded this third reading, the committee did pay particular attention to Part III of the bill because that part of the bill had not been included in the 1990 proposals and also because it deals with bills that have not been processed to date.

The committee members were satisfied that Part III of this act was consequential on proposals that it had already approved. It was included only because of the introduction of other bills since the committee's consideration of the 1990 proposals in order to deal with the possible conflicts between this bill and some of the other bills before this House.

Because of the fact that the standing committee has approved it, it does introduce many housekeeping changes that are important to the departments of government and how they operate and are important to people in this House. It is the normal operation under this section that the various parties of the House do co-operate in agreeing that these are all in order and properly constituted. I would recommend that the members of the House concur in third reading.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I want to say a number of things about the bill itself. Before doing that I just wish to put on the record that there has been a fair amount of co-operation on this particular bill. The hon. member really has not alluded to that but I think he has touched on it. I just want to clarify for the the record that there has been a fair amount of co-operation in committee and elsewhere with regard to facilitating this particular bill. The Minister of Justice who tabled the bill for first reading on October 4, 1991, talks about correcting certain errors and certain matters contained in various federal statutes.

We have unanimously agreed here today that we are not going to be voting on Bill C-35. We are going to suspend later this day when there are no more who are speaking and wait for a ruling from the Chair. But let us not kid ourselves. The parliamentary secretary knows and I know that this particular statute, Bill C-35, affects more than 90 federal statutes of the Government of Canada. I believe each is affected in a minor way but collectively in a very substantive way. It affects the activities of the Government of Canada on how it interfaces with its own agencies as well as the agencies of the government in the various provincial capitals across this country. I will name a few beginning with Public Works. Every Canadian will know and will understand that the Government of Canada does have lands in each and every province and territory of this country.

• (1440)

There are amendments to various federal statutes contained in the bill which would affect both directly and indirectly that particular federal department.

The Canadian Railways Act, the shipping conferences exemptions, railway safety, public harbours and ports, national transportation, Canada Ports Corporation, motor vehicle transport, Department of Agriculture, farm debt review, Canadian Dairy Commission, Prairie Grains Advance Payments, narcotics control, the Atlantic Opportunities Agency, access to information, Civil Service Commission, the Financial Administration Act of the Government of Canada allow federal ministers, under clause 99, to give direction to a Crown corporation in his or her particular jurisdiction.

There are a number of points that I would like to make with regard to the bill. If I may, I would like to point out a few of them so that the members of the House will understand my concern. I think I would be less than candid if I said: "Well, you know, these will bring down the government and will add further havoc to the Canadian economy." That is not what I am suggesting. What I am suggesting is that procedurally there are a number of concerns that I think have to be raised both in terms of the substance and the consequential effects.

I would like to speak on the Canada Ports Corporation Act. This particular bill sets out before us what is now going to take place. Canada Ports Corporation will have the administration, management and control of all such property and works within the boundaries of that harbour or within 20 kilometres thereof. That is certainly a substantive change from what it was previously, because the administration, management and control of the harbours was for the harbours. They are now extending that control by some 20 kilometres.

The old act read: "The administration of all such property and works within the limits of that harbour as are administered by the corporation shall be deemed to have been transferred to the local Ports Corporation." Not only are we going to see that control given away as such, but we have extended it by 20 kilometres. I would think, as someone who has practised law, that there are probably some very cogent reasons as to why that was being done but again it is certainly something of note and some concern to those of us who sit in the opposition.

The transfer to the corporation or a local port corporation may in fact be the appropriate thing to do in certain circumstances, but one has to question whether or not the over-all principle ought to be applied on each and every occasion. We raise that as a matter of concern for members of this House who may have a certain set of circumstances where the local port authority would be the most appropriate, but now this act deems that that will happen to all the various ports that are administered by Canada Ports Corporation.

Another point which I believe is deserving of mention and concern is with regard to page 13, amendments to section 37, state that "where the minister receives a notice of the proposed export of a toxic substance", the minister must publish the name or specifications of the toxic substance. Previously, the minister concerned with this particular statute, and I believe it was the Minister of the Environment, under section 37 of the Canada Environmental Protection Act the minister received a notice of the proposed export or import of a toxic substance or hazardous waste. That has now been changed and I suggest it is a substantive change. The new clause reads:

> Where the Minister receives a notice of the proposed export of a toxic substance under this section 42—

It does not talk about import. It merely talks about exporting whereas the old statute talked about the exporting and the importing of toxic substances or hazardous waste.

It is interesting to note that in other sections of the new bill it refers to the export and import of a hazardous waste under section 43, but for that clause 37(2) it only talks about the export of toxic waste and not the import of toxic waste.

Again I bring that to the attention of the parliamentary secretary, who I am sure when reading the full contents of the bill tonight and which the House leader of the New Democratic Party has read each and every sentence of, he might want to reflect upon my comments and see whether or not it could be changed accordingly.

Madam Speaker, I have to be very candid. I have not studied this statute from cover to cover. These are some of the things I have found to be somewhat glaring and want to bring to your attention. I am sure the Speaker would want me to do that.

Under the Immigration Act, I wish to point out that again there is a change. The relevant portions of section 46.01 states that a person who claims to be a convention refugee is not eligible to have the claim determined by a refugee division if the case of the claimant who is the subject of an inquiry caused pursuant to section 23(4)(a) if the claimant came to Canada from a country other than a country of the claimant's nationality.

Well, they have changed that. They now say "persons of which the claimant is a member would be given a lawful authority to be in".

For those of us who are not concerned with the technicalities of certain legislation it may not mean all that much to us. For those who are administering the act, I suggest that is a departure of some magnitude that I believe is worthy of our examination and review.

There are a number of other things I have seen that could perhaps be better drafted or that I would suggest might be better drafted but I am not going to bore the Chamber with my interpretations of how these technical amendments ought to be written.

If there is unanimous consent, I might want to proceed if I was asked to in a friendly way.

Let me just bring one more item to your attention. In the maritimes where I come from there is a word that I do not know if it is used in Ontario or Quebec called "sneaky". I am not suggesting that the government is sneaky. These are technical amendments and I do not think the Prime Minister, when he was in Paris, London and Brussels and all over the world has been reading. There is a little section in here that refers to the Labour Adjustments Benefits Act, section 92.

When I was flipping through this, I thought to myself, there was an election in 1988, almost three years ago and I thought I heard somebody promise during the election campaign that there would be adjustment policies for Canadian workers wherever they may reside in this great country. That was promised not once, not twice, by every member who sits in the federal cabinet and everyone who supported the free trade agreement as put forward by the government. What does this amendment say? Does it provide that they are going to set up a new fund? It does not do that. It says:

> 92. Subsection 29(2) of the Labour Adjustment Benefits Act is repealed and the following substituted therefor:
>
> (2) Subsections 94(13) to (21) of the Unemployment Insurance Act apply, with such modifications as the circumstances require, in respect of the administration and enforcement of this Act.

• (1450)

An hon. member: Sneaky.

Mr. Dingwall: Madam Speaker, I do not want to use that word but I have to tell you that people outside this Chamber are saying it. That is what they are saying, that the government once again is being sneaky.

I do not want to recount for members who are in the Chamber today or for those who may be viewing on television, and I am sure that they are probably not large numbers, but less than four years ago this government opposite campaigned on major labour adjustment programs for Canadians. We have seen in this country, in the province of Ontario alone, thousands of jobs which have gone down the drain as a result of the policies of this government as they relate to trade in the free trade agreement.

We have yet to see one new program put in place after promise, after promise, after promise made by the right hon. Prime Minister in a nationalized television debate of the three leaders that they would be come a reality if the free trade agreement was consummated.

What has happened? The trade deal, notwithstanding the combined opposition of the opposition parties, led by the right hon. member for Vancouver Quadra who was the leader of our party at the time and the fact that over 60 per cent of Canadians opposed the free trade deal, the government pushed it through with its parliamentary majority—

Mrs. Sparrow: Oh, please, you are stretching it here.

Mr. Dingwall: —parliamentary majority, Madam Speaker, and we have yet to see a realization of the promise. That is utterly shameful or as some would say in Calgary—

Mr. Nunziata: Sneaky.

Mr. Dingwall: As some would say in Atlantic Canada.

An hon. member: Sneaky.

Mr. Dingwall: As some would say in Quebec.

Mrs. Maheu: Sneaky.

Mr. Dingwall: As some would say in Ontario.

Some hon. members: Sneaky.

Mr. Dingwall: You see, Madam Speaker, that is what we have got here, a little: "Let's put it in Bill C-35. Let's hide it", just like a sneak attack the kids talk about when they are playing their Nintendo games.

Mr. Nunziata: That's a big Mac attack.

Mrs. Sparrow: It's a Mac attack.

Mr. Dingwall: She wants to talk about the Mac attack. We will get to that in a minute because there is another section of the bill.

Madam Speaker, we as Canadians have been given a bill of goods by the party opposite. Ontario has suffered substantially as a result of no labour adjustment policies.

Mrs. Sparrow: That's Peterson.

Mr. Dingwall: Time after time after time people in Ontario have suffered. The hon. member opposite says: "What about the former premier of Ontario, Mr. David Peterson. What did he do?"

I will tell you what he did, Madam Speaker. The federal government did not provide leadership in providing adjustment programs for Canadians that have been displaced. Mr. Peterson and the government of the day did not provide leadership for that province and the people decided. They said: "Good-bye, Mr. Peterson". That is what they said and they are going to say the same thing to the right hon. Prime Minister and the hon. member opposite. They have provided no leadership, no programs with regard to adjustment policies and the same thing will happen to the hon. member. Canadians will give them the boot as well. That is what will happen.

Madam Speaker, if I may go on, there are other little sneaky things that one might refer to in Bill C-35. I have just pointed out one. On an earlier occasion, Madam Speaker, I brought to the attention of those in this House the Atlantic Canada Opportunities Agency. Ah, the hon. member is interested, as I am sure the hon. Minister for Veterans Affairs is interested. It will now provide every five years a comprehensive report on the activities of ACOA.

The hon. members opposite have made my case. They have made my case, Madam Speaker. The hon. members know that any Crown agency must file an annual report with the Government of Canada. But if it were so wonderful an agency, and if it was such a panacea of economic development that they wished to refer to, why would they wait for the fifth year to give a comprehensive report on the activities of ACOA? I ask you: is it? Aha, that is exactly what it is, sneaky in its worst form. Why doesn't the hon. minister join in the debate instead of sitting in his place and chirping from the government benches. Why does he not enter the debate?

I know why he does not want to enter the debate. He is utterly ashamed of his own performance and the performance of his government with regard to the economic activities in Atlantic Canada. He and his government have been dismal failures in Atlantic Canada and I would hope the hon. minister would afford himself the opportunity to stand in his place and defend some of the

actions, the ill-conceived whims of the federal government in terms of what it has done concerning the Atlantic Canada Opportunities Agency.

I bring to the attention of the Chair that this minister is grossly negligent in the fact that he supports the Atlantic Canada Opportunities Agency when his own president, an appointment made by Order in Council, said clearly and unequivocally that the user fees which are being charged by the Department of Transport at airports in Atlantic Canada are causing undue havoc to tourism in Atlantic Canada.

Oh, oh, the hon. member says this is not relevant. Sneaky, it is sneaky, Madam Speaker. That is why the minister has joined with his colleagues to put it in the bill. The sneak attack again, on a Friday afternoon. That is what they wanted to do, Madam Speaker. But, no, no—

An hon. member: We weren't born yesterday.

Mr. Dingwall: That's right. I want to tell the hon. minister opposite that if he does not think that is relevant, the president, Mr. Peter Lesaux, of the Atlantic Canada Opportunities Agency said in a speech delivered to tourism operators in Atlantic Canada that federal government policy of increasing user fees at our airports in Atlantic Canada and in our ports has caused and will cause great difficulties and hardship for our tourism industry. That is not relevant?

I understand why it is not relevant, Madam Speaker; because the minister opposite just does not care. That is the fact.

There are a number of other items. Under section 113 of Bill C-35 amendments are made to the Patent Act. The old act read, and I quote from subsection 34(e):

> An applicant shall on the specification of his invention particularly indicate and distinctly claim the part, improvement or combination which he claims is his or her invention.

It is very important in terms of intellectual property, the arguments which would flow from that in terms of the rewards that people give to individuals who go out and are creative, inventive, and what-have-you—and for patent protection. That is why it was in there.

• (1500)

Clause 113 of this bill says that subsection 34(1), which I have referred to, of the Patent Act is amended by adding the word "and", and at the end of (c) thereof, by striking out the word "and" at the end of paragraph (d) thereof, in essence repealing paragraph (e).

No longer will an applicant be forced to specify his or her invention, particularly indicating and distinctly claiming the part, improvement or combination which he or she claims as his or her intention.

I wonder who that protects. I wonder who this little benefit has been given to. Is it the generic drug companies which traditionally in this country have been able to help keep drug prices down to a reasonable level as reported in every federal-provincial document ever in this country. They have been the ones who have kept the prices down so that average Canadians, male and female across this country, can afford prescription drugs.

Madam Speaker, I ask: Who is this amendment under Bill C-35 appealing to? Is it the generic drug industry? Is it the employees of the generic drug industry? I do not think so.

I am not saying it is inherently wrong, but I think we should be clear as to whom and to what the government is attempting to do by Bill C-35. I am somewhat disappointed.

I am somewhat disappointed that the Minister of Veterans Affairs has left the Chamber and probably for very good reason. I do not comment on him leaving the House, but I do say that for ministers of the Crown to suggest and to imply that we, in the opposition, in reviewing Bill C-35 which affects upward of 90 federal statutes that somehow were not relevant, that somehow we ought not to be involved in this debate and that we ought to rubber stamp it is totally irresponsible.

I think it characterizes for me and for my colleagues on this side of the House the stage of mentality of the members on the government side.

It has been seven years. It has been seven long, arduous years for many Canadians. To tell you quite frankly, we know, we see, we hear and we watch the actions and the omission of actions of members opposite. We have come to the conclusion that it is not merely a game of incompetence by the other side or misman-

agement of the Canadian economy. They are tired, Madam Speaker. They are worn out. They have come to the stage in their political careers where they do not care any more.

Amendments on user fees, amendments to Canada Ports Corporation, consequential or technical, let it go. We do not really care. We do not have the political will. We do not really understand, but "give me the keys to the car because I want to be a minister". That is what they are saying to themselves. Havoc for a few more months. If they were really concerned, they would have substantive arguments to rebut my assertions.

The minister did not do that. He did not rebut any of my assertions. He could not give me a good reason as to why Bill C-35 is being put forward today in terms of this amendment on the Atlantic Canada Opportunities Agency, as well as the other amendments which are tied up in this particular bill.

We have reached the conclusion that this government is tired. It is worn out, and it should do the honourable thing. I am not saying this, Madam Speaker. If they want to have an election, I would be forced to run and I would run.

An hon. member: Would you win?

Mr. Dingwall: I would have a chance.

An hon. member: Do the Tories have a chance in your riding?

Mr. Dingwall: Absolutely not.

The honourable thing is to admit when you are wrong, to correct your mistake and to move on, but this government? Under no circumstances. It knows it all. We saw it on the GST. Hundreds of thousands of Canadians said: "We do not want it", and they proceeded. The free trade agreement. Opposition party after opposition party, our colleagues in the Senate, the upper house, Canadians from coast to coast, in excess of 60 per cent opposed it, what did the government say: "No, we are going to do it anyway."

Ms. Clancy: And look what happened.

Mr. Dingwall: And look what happened. No wonder the country is in such havoc and in such a cranky mood.

The parliamentary secretary will probably want to enter the debate and I would be happy if he would debate. I would be happy if any of the members opposite would debate substantive things which are important to Canadians, but the fact of the matter is, not only are the Conservatives incompetent, not only have they mismanaged the economy, not only are they sloppy in terms of Bill C-35 and how it is introduced, they just do not care.

If you live in Nova Scotia, if you live in British Columbia, Quebec, Ontario, any part of the maritimes or western Canada it is evident and very clear that the government does not care about what is going on in the Canadian economy. It does not really care. What it does care about is patronage. We see it everywhere with this government.

An hon. member: Is this relevant?

Mr. Dingwall: It is relevant to the government because I cannot understand why the government opposite would leave a deputy minister in his or her place after making the statements that the president of the Atlantic Canada Opportunities Agency has made. Either one is not telling the truth. It is either the deputy minister or it is the government that is not telling the truth.

The parliamentary secretary says: "Oh", like I am supposed to be scared and run under the table and hide, but that is the truth. I did not make it up. The president of the Atlantic Canada Opportunities Agency has said that, not I. So I invite my colleagues opposite to question me and debate us on the substantive issues which are facing the country today.

I think Bill C-35, notwithstanding some of the items which are contained in it, are in fact technically correct, have good, consequential effects, but there are many what I have deemed to be sneaky little attacks, sneaky little points, sneaky little measures by a big, sneaky and stinky government.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I could not let this sequence of Friday afternoon jousting go by without addressing—

An hon. member: Are you on debate?

Mr. Lee: On debate.

Mr. Cooper: On a point of order, Madam Speaker.

I apologize to the hon. member.

ROUTINE PROCEEDINGS

[*English*]

BILL C-43

APPOINTMENT OF SPECIAL JOINT COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Madam Speaker, there have been discussions among the parties and I believe that you will find consent for the following motion:

That a special joint committee of the House and Senate be appointed and empowered to undertake a comprehensive review of the subject matter of Bill C-43, an act to provide for greater certainty in the reconciliation of the personal interests and duties of office of the members of the Senate and of the House of Commons, to establish a conflict of interests commission and to make consequential amendments to other acts.

That the committee may, in fulfilling its mandate, review the conflict of interest approaches used in other jurisdictions and any other matter related thereto,

That the Standing Committee on House Management appoint the membership, for the House, of the special joint committee and present its report, which shall be deemed concurred in, upon presentation of it to the House of Commons, no later than five sitting days after the adoption of the motion;

That the said special joint committee be composed of 14 members of the House of Commons, and 5 members of the Senate;

That the said special joint committee have all powers of a standing committee of the House Commons pursuant to Standing Orders 108(1), 120 and 121;

That changes in membership of the said special joint committee be effective immediately after a notification signed by the member acting as the chief Whip of any recognized party, has been filed with the clerk of the committee;

That the special joint committee be permitted to request adequate support from the government for drafting its final report in the form of a bill or report Bill C-43 with or without amendments or in the form of principles that could be embodied in the legislation; and

That a message be sent to the Senate requesting that House to unite with this House for the above purpose, and to select, if the Senate deems it advisable, 5 senators to act on the proposed special joint committee.

Mr. David Dingwall (Cape Breton—East Richmond): Madam Speaker, I think there is agreement on our side with the particular motion. Just so that I am crystal clear in my thinking process on a Friday afternoon, the hon. member said 14 members of the House of Commons. I presume that will be made up of four members from the Official Opposition, two members from the New Democratic Party and eight members from the Conservative Party. As for the members from the Senate, I understand three would be from the Progressive Conservatives and two from the Liberals. Is that correct?

Mr. Cooper: Madam Speaker, I can confirm, even though it is not within my capacity to effect the hon. member's ability to think crystal-clear, that the numbers would be eight from the Conservatives, four from the Liberals, and two from the NDP, and three from the Conservatives and two from the Liberals in the Senate.

Mr. Nelson A. Riis (Kamloops): Madam Speaker, I want to take this opportunity to acknowledge to both my hon. colleagues how much we appreciate the willingness to negotiate the size and numbers associated with the committee. This will allow the New Democrats to have two participating members on this critical joint committee. I simply want to acknowledge our appreciation to my two pals.

Madam Deputy Speaker: Does the hon. parliamentary secretary have unanimous consent of the House to present the motion?

Some hon. members: Agreed.

Madam Deputy Speaker: The House has heard the terms of the motion. Is it the pleasure of the House to adopt the motion?

Motion agreed to.

Madam Deputy Speaker: Resuming debate.

GOVERNMENT ORDERS

[*English*]

MISCELLANEOUS STATUTE LAW AMENDMENT ACT, 1991

MEASURE TO AMEND

The House resumed consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-35, an act to correct certain anomalies, inconsistencies, archaisms and errors in the Statutes of Canada, to deal with other matters of non-controversial and uncomplicated nature therein and to repeal certain provisions thereof that have expired or lapsed or otherwise ceased to have effect, be read the third time and passed.

Mr. Derek Lee (Scarborough—Rouge River): Madam Speaker, I have a couple of brief remarks on the subject of Bill C-35, the Miscellaneous Statute Law Amendment Act.

There are two aspects of what has happened with this bill that I would like to bring to the House's attention. The first one has already been referred to by my colleague, our opposition House leader. That is the apparent propensity of individuals in the government administration to push the Miscellaneous Statute Law Amendment Act concept to its limit. In other words, from time to time we find individual departments, with the acquiescence or assistance of the Ministry of Justice, trying to slip on by—and I do not think that is really a fair word. It is not really slipping it on by but getting as much amendment punch into this statute as you can possibly squeeze in. We want to keep in mind that the purpose of this statute is to enable technical minor amendments to be made to statutes when it should be apparent to all that these kinds of amendments should be made.

One example is the minor discrepancies between English and French translations in the various statutes. Every year there are a number of those that come to the attention of Parliament, either through court litigation or from citizens.

It is incumbent upon the House and the committee structure that reviews the statute, and the justice department functionaries that oversee the production of the statute every year, to ensure that the spirit of the statute, miscellaneous amendments of a technical and minor nature, is maintained and that public servants are not tempted to abuse the non-partisan aspect of that act.

The second concerns the fact that earlier this year the government modified the Standing Orders to reduce the size of committees.

I know from my work on the justice committee that all of the work that committee has been doing, including review of this Miscellaneous Statute Law Amendment Act, 1991, affects the ability of that committee to do this type of work properly. It has been doing this kind of work for many years although this goes back to 1975 when the mechanism was put in place. There are only seven or eight members on that committee now. It is a little short of manpower to do its standing committee work. This is the statute work that is referred to it from the House and some of the legislative work that occasionally comes to it.

I make this point so that in the event the size of committees comes up for discussion in future as a debating point—and in particular with reference to the justice committee—the change in the Standing Orders has probably impaired that committee's ability to deal well with this particular Miscellaneous Statute Law Amendment Act, 1991.

Having said that, I think it is a very useful statute and one that is usually dealt with on a non-partisan basis. It provides a good, quick and effective service to the taxpayers in terms of making quick changes to our legislation.

Mr. Cooper: Madam Speaker, I rise on a point of order. I have just been having conversations with the House leader for the Liberal Party and it is my understanding that there was an understanding earlier today that we would not complete this debate because of the necessity to wait for the Speaker's ruling.

I guess in that circumstance, Madam Speaker, may I call it 4 p.m.?

Some hon. members: Agreed.

Madam Deputy Speaker: It being 4 p.m. this House stands adjourned until 11 a.m. Monday, November 25, pursuant to Standing Order 24(1).

The House adjourned at 3.15 p.m.

HOUSE OF COMMONS

Monday, November 25, 1991

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

THE ENVIRONMENT

OAK RIDGES MORAINE

Mr. Maurizio Bevilacqua (York North) moved:

That, in the opinion of this House, the government should commit itself to entering into negotiations with the government of Ontario to safeguard the Oak Ridges Moraine and protect the headwater aquifers sourcing Lake Ontario from further pollution and toxic contamination.

He said: Mr. Speaker, today I rise to address a subject that is of great importance to the people of Ontario and Canada. My motion states that in the opinion of this House, the government should commit itself to entering into negotiations with the government of Ontario to safeguard the Oak Ridges moraine and protect the headwater aquifers sourcing Lake Ontario from further pollution and toxic contamination.

I have presented this motion to the House because I firmly believe that this issue merits the attention of and action by the Parliament of Canada.

I also believe just as firmly that the government has a responsibility to involve itself in co-operation with the provincial government in the protection of this moraine. I believe this because I understand how important the Oak Ridges moraine is to the environmental well-being of this country. Given that many millions of Canadians depend directly on the moraine for water, I can say that the protection of the entire structure of the Oak Ridges moraine is potentially the most important environmental issue in Canada.

To illustrate this, I should begin by providing the House with a certain amount of background information for the benefit of those who are not familiar with the moraine.

The Oak Ridges moraine was created some 14,000 years ago when glaciers from the last ice age began to recede across Ontario. It is a very large geographical formation, 1,500 square kilometres in area, stretching from the Niagara escarpment in the west to Trenton in the east.

The composition of the moraine is what gives it its important role in Ontario's ecosystem. As it was caused by the pressure of two glaciers, the moraine is made up of a combination of sand, gravel and rock fragments of various sizes. This means that the inside of the moraine is porous like a sponge. Unlike the Canadian Shield which water runs off, melting snow and rainwater seep through the soil on the surface of the moraine and collect inside.

So the Oak Ridges moraine is in a sense a combined holding tank and filtration system designed by nature. No one should be surprised to learn that a great deal of life depends on it functioning properly.

The water contained in the aquifers found in the moraine is the source of many rivers in south-central Ontario: the Rouge, the Don, the Humber, the Holland, the Nottawasaga and the Ganaraska all flow from these headwaters. These rivers flow into Lake Simcoe, Lake Ontario, Georgian Bay and ultimately into the lower part of the Great Lakes. The fact that the Great Lakes are affected adds an international element that should not be overlooked.

It is clear therefore that the Oak Ridges moraine has an impact on the quality and quantity of water in southern Ontario. This affects many wetland habitats and other wildlife as well as agriculture and human consumption.

Unfortunately, the speed of growth in south-central Ontario now threatens the continued health of this moraine. The Keele Valley landfill site located in my riding is the largest dump site in Canada. It sits on the centre of the moraine. At the edges of the moraine, aggregate mining activities have increased in recent years, contributing to the erosion of the formation and threatening its ecological integrity. At every point along

the length of the moraine, development is stripping away the trees and covering the surface of the moraine with concrete and asphalt. This effectively cuts off the water that would normally feed the aquifers.

The cumulative effect of all this activity is potentially disastrous. First of all, let us consider the damage being done by the Keele Valley dump. At present, the landfill's capacity is being reached.

There are some questionable provincial government policies being considered that may result in the expansion of the site.

Although there is a clay lining in the dump, leachate seeps through the lining and contaminates the moraine's aquifers. Every year it is estimated that 100 million pounds of leachate will reach Lake Ontario and enter our drinking water.

Along with the danger posed by waste disposal landfill, there is that of the aggregate extraction operations in Northumberland and Dufferin–Simcoe counties.

These sand and gravel operations are eating away at the moraine, and if they are not controlled, will do irreversible harm to the structure.

The principal danger is erosion. The gravel and sand pits, unlike the moraine's natural state, present an unprotected surface to the elements. Instead of filtering through the topsoil and collecting in aquifers, melting snow and rain water wash away the surface, breaking down the moraine's capacity for collecting water.

The negative result of this is twofold: First, the water which would normally be absorbed by the moraine is not absorbed and can contribute to flooding. Second, by wearing down the moraine and reducing its absorbent nature, a situation is created where worse flooding may occur the following spring.

A long-term effect is that erosion reduces the moraine's water recharge capability. This means that there is less water being channelled into the numerous rivers sourced by the moraine and less water finding its way into the water table. This means there is less clean water for the people of the greater Toronto area.

Finally, there is the two pronged assault being launched by development. First, the deforestation of the moraine contributes to the erosion I have just described. Second, building on the moraine damages it in many different ways. Development brings wells. Too many wells lower the water pressure and deplete the water supply. Development also brings sewage from industrial and agricultural sources and from septic systems. Sewage contributes to the contamination of the water supply, especially when the ratio of pollutants to water increases.

All of these human contributions, the landfill site, the gravel pits, deforestation, wells, septic systems and agricultural activities, are more than the Oak Ridges moraine can handle. The system, which was very fragile to begin with, is now being pushed to the limit and will definitely break down unless something is done to stop the damage.

That is why I present this motion. After numerous consultations with my local advisory group on environmental issues, as well as with such environmental groups as STORM, Vaughan–Cares, and others, I have come to the conclusion that only an active intervention by the federal government in co–operation with the provincial government can give the moraine the protection it so desperately needs.

The arguments in favour of federal action are numerous and compelling and I will outline some of them in the time remaining today.

First, there are the twin issues of environmental protection and sustainable development. Many people are still unsure about what sustainable development means. I would suggest that what is happening to the Oak Ridges moraine is a good example of unsustainable development.

In the past, the Canadian government has often repeated that it is firmly committed to cleaning up the environment. It has signed the acid rain treaty with the United States and it has introduced the green plan. In fact, in the green plan the government makes a specific reference to the importance of protecting our water resources.

In the chapter entitled "Continuing Action to Protect and Restore Water", the government makes a number of very laudable commitments in this area. It promises to introduce a drinking water safety act in 1991. It promises to publish a series of guidelines and codes of practice to help local authorities deal with groundwater problems like contamination from landfill waste disposal and leaking underground tanks. It promises to establish a Great Lakes pollution prevention centre.

• (1120)

Implicit in all these promises is a recognition of the great importance of the water recharge function of formations like the Oak Ridges moraine. If the green plan is official government policy then one must conclude that the government accepts the fact that it has responsibility to act in protecting our water resources.

However, quite apart from the recognition of the technical responsibility, a more important issue is the government's moral responsibility to protect the environment. A government's first responsibility is to protect the quality of life of those it governs. Our governments fulfil that responsibility by maintaining police forces, a judicial system, a national health care system and a variety of other programs aimed at improving our standard of living. Increasingly, Canadians are demanding that their governments also involve themselves in protecting the environment.

Again referring to the green plan, it is clear that the federal government recognizes that it has a moral obligation in this area. As the government states in the introduction: "Our health and the environment are inseparable". It also says "Canada's goal is to ensure that citizens today and tomorrow have the clean air, water and land essential to sustaining human health and the environment." It is obvious, therefore, that the responsibility to act exists. If we accept that the green plan is sincere and legitimate and not 174 pages of empty posturing, then we can say that the willingness to act also exists.

But how to act, and in what capacity? The government, well intentioned, may sincerely want to act, but what means does it have to get involved in the protection of the Oak Ridges moraine? Fortunately, a number of mechanisms exist that would allow the federal government to involve itself along the lines put forward in my motion.

For example, section 4 of the Canada Water Act reads:

> For the purpose of facilitating the formulation of policies and programs with respect to the water resources of Canada and to ensure the optimum use of those resources for the benefit of all Canadians, the Minister may enter into an arrangement with one or more provincial governments to establish intergovernmental committees or other bodies: to maintain continuing consultation on water resources matters and to advise on priorities for research, planning, conservation development and utilization relating thereto; to advise on the formulation of water policies and programs; and to facilitate the co-ordination and implementation of water policies and programs.

If that is not a blueprint for government action in protecting the Oak Ridges moraine, I do not know what is.

One of the reasons why the Canada Water Act was introduced is that "pollution of the water resources of Canada is a significant and rapidly increasing threat to the health, well-being and prosperity of the people of Canada". There is no better example of that threat than the damage being done to the Oak Ridges moraine. As I stated earlier, the area's rapidly expanding population and such activities as construction, mining and agriculture are slowly leading to the disintegration of the moraine. This wonder of nature which is so intrinsically linked to the survival of numerous ecosystems throughout south central Ontario is badly in need of protection.

Aside from the Canada Water Act, the federal government could also use the Fisheries Act and the National Parks Act. The stated policy of the Fisheries Act is "no net loss of habitat". Under the act, the minister is authorized to set aside certain bodies of water for special protection. Because Ontario's Ministry of Natural Resources is responsible for implementing the legislation, it provides an excellent opportunity for the two levels of government to work together to protect the moraine.

The National Parks Act could also be used to protect this national treasure. The 1976 Task Force on Park Establishment found that Canada, with less than 3 per cent of its area in national parks and other protected designations, is a follower instead of a leader on the question of parks. As its report stated: "because of our size, our failure is globally significant".

This is an opportunity for the Canadian heritage parks initiative to narrow that gap by recognizing the cultural and natural heritage value of the entire Oak Ridges moraine and by forming a working committee to look into establishing new parks in the area.

In its green plan the government recognizes that it has a duty to protect our most precious natural resource: water. Also in the green plan it accepts that it has a moral obligation to do so.

Finally, with the Fisheries Act, the National Parks Act and most important in the Canada Water Act, the government has in its possession a number of devices which enable it to act decisively in the area of water protection.

All that I ask and all that Canadians ask is that the government live up to its commitments. If the condition of the Oak Ridges moraine continues to deteriorate, if there is not immediate action to protect the moraine in its entirety, the water supply of many millions of Canadians will be endangered.

I urge the government with all the conviction I can command to act now before it is too late. Let us take the lead, let us show to Canada and to the world that the green plan has teeth, that this government takes its environmental responsibility seriously and that it really cares about the quality of life of its citizens. This government has the tools, it has the duty and the ability to act. There is no excuse for inaction. I ask that this government act on my motion to provide strong protection for the ecological integrity of the Oak Ridges moraine.

Mr. John E. Cole (York—Simcoe): Mr. Speaker, I appreciate the opportunity to speak to the motion that my hon. friend for York North has brought forward today regarding the government's ability to take part and support the Oak Ridges moraine. I was very pleased to hear in his comments that he supports the actions of the green plan and the outline the green plan has set out under the Canada Water Act and the Department of Fisheries and Oceans Act. That is a very positive step. It just shows that if everyone works together we can address these problems quickly and efficiently.

The Oak Ridges moraine is one of the most natural features in the greater metropolitan Toronto area. It is something that requires a lot of attention from individuals, from all environmental groups from all levels of government. It is something that has to be acted on now and very quickly.

The moraine is a significant part of the natural greenlands resource in the whole metropolitan area. After all, there are over 30 rivers and streams that have the moraine as their source in this particular area. The vast underground reservoir of groundwater is critical to the drinking water of many municipalities in addition to metropolitan Toronto; the great municipalities of Newmarket, Sharon, East Gwillimbury, Palgrave, Caledon East, the west side of my friend's area. That is very significant to them.

It is also significant because the slopes of the moraine contain many small wetlands which, on an individual basis, one might not consider to be overly significant, but in total they provide that whole environmental resource that really has been declining in Ontario over the last number of years.

The other aspect of the moraine that is very important is the beautiful natural setting it provides for both recreational and scenic pursuits. After all, the Pine Ridge Trail, which is a scenic trail running throughout the moraine, was probably developed, as is said to have been developed by equestrians many years ago.

The federal government fully supports the activities of the provincial government as the leading player in ensuring the protection of these many environmental values. In fact, the province is and must continue to work with the municipalities and conservation authorities, public interest groups, developers and citizens advisory groups in addressing all of these developmental pressures on the moraine.

• (1130)

The province will be working with municipalities to carefully review official plan amendments and rezoning applications as they apply to this area.

The federal government does support this effort in many ways, but it also provides some expertise in computer modelling and analysis of this particular area. It stands prepared to provide available scientific and technical information as required by the province in its studies of it.

The Oak Ridges moraine is one of the most prominent, physiographic features in southern Ontario. It is a remnant of the glacial ages. It was formed primarily of sand and gravel. The moraine is a rise of land north of metro Toronto stretching from the Niagara escarpment on the west right through to the Trent River in the east, a distance of over 160 kilometres. The moraine extends about 90 kilometres in the greater metropolitan area and involves the regions of Peel, York and Durham.

Of special importance is the role that the moraine has in the source of a significant part of the streamflow in rivers feeding into the Toronto harbourfront, for instance, where it is the source and the headwaters of the Don, the Humber and the Rouge, but it is also the course and the headwater for rivers that extend north, such as the Holland River and the Nottawasaga.

Those are very, very significant to the people in my area and it is something that is often forgotten when the Oak Ridges moraine is discussed and talked about.

The moraine covers over 1,000 square kilometres. It passes through 14 municipalities. So it is very significant as to the number of people that it involves and directly affects.

The Oak Ridges moraine is the divide or height of land between water courses flowing both north and south. Rain falling on the moraine is rapidly infiltrated through the well drained moraine soils into the groundwater reservoirs. They have two main functions. They have a recharge function where the water goes through the sand and the gravel and is purified and eventually flows from the moraine south to feed the tributaries into Lake Ontario and north to feed areas such as Georgian Bay and Lake Simcoe. But there is also the discharge function. Any contamination of this groundwater could have potentially more wide-ranging effects because many of these communities rely on the moraine aquifers for their drinking water, but also these waters eventually lead into our lakes that we use for various reasons and various sources, particularly pleasure craft in the Lake Simcoe area. The water quality and water quantity is very, very important and very, very critical for that particular activity.

Any actions that could have a substantial impact on the delicate balance of hydrology in the moraine would have a similar wide-ranging impact throughout the area.

The moraine contains many important aspects of plants and wildlife in the greater metropolitan area. It has a number of small lakes that rely on this to provide this kind of abyss in the middle of a very heavily populated area. These slopes of the moraine provide the source area for many streams and contain many small wetlands. The open spaces and the natural areas are very significant to help us with our clean air and our clean water. Anything that would take place in this area or any damage to this area would affect all of us very critically.

Obviously the forest acts as a filter for our air, just as the wetlands provide that filter when water meets soil. So that is very significant.

It is also very important for the wildlife in the area. This is one continuous piece of land that allows wildlife, deer, nesting areas, nursery areas. All these areas are involved in this particular piece of land and it is very, very significant for the wildlife in the area to be able to move as their feeding grounds or their nesting or migration is necessary to move from one area of the province to the other. It is also very important to the people of the greater metropolitan area. Many of us recognize the importance of open space and green land as our way of life. We use and often take advantage of the Oak Ridges moraine for improving our health physically.

I recognize I am running out of time, Mr. Speaker. There is a lot to be said for it but it is certainly important for our physical and our mental well-being that we have the opportunity to take part in it.

The federal government is very involved in the process of examining and assessing what is going on in the Oak Ridges moraine. It is one area where there is presently a strategy going on. The royal commission studied the headwaters as it affected Lake Ontario and certainly the lakes to the north and there is now a provincial study taking place.

One of the things that concerns me greatly though in this study is the Lake Simcoe Regional Conservation Authority, a very significant group that is affected very significantly by the Oak Ridges moraine, has not been invited to take part in this study. The authority is involved in this very process. They have requested of the minister of natural resources to be involved.

Their letter states: "This authority is attempting to maintain all water courses, wetlands and headwater areas that we must be aware of and directly involved with policy development affecting these areas. Through our environmentally significant area study we have identified biological ESAs but also recharge-discharge areas. We have carried out a number of projects in the headwater areas to improve stream habitat for our cold water systems".

I could go on but I did want to quote from that letter. Here is a group of people wanting to help in this process. They have been shut out temporarily and I hope that the provincial government in its wisdom of preserving the Oak Ridges moraine that is vital to all of us will take into account the expertise of not only the federal government but also the Lake Simcoe Regional Conservation Authority and put together a game plan that is going to be effective for all of us and all our future generations.

Mr. Jim Fulton (Skeena): Mr. Speaker, I would like to congratulate the member for York—Simcoe for having brought this important motion to the floor of the House, the motion which says:

> —the Government should commit itself to entering into negotiation is with the Government of Ontario to safeguard the Oak Ridges Moraine and protect the headwater aquifers sourcing Lake Ontario from further pollution and toxic contamination.

It is an important motion and one that I am sure on reflection the hon. member will realize is but the beginning of a very long personal battle that he will have to involve himself in. I say that from personal experience.

I recall almost 15 years ago having begun the battle with many others to protect South Moresby in my constituency and ultimately there was a resolution on the floor of this House that brought that to be the national park reserve status that it has today.

It is the beginning of a long battle but I think some of the pieces that are needed are now in place. This House in June of this year for the first time passed a unanimous resolution to protect and to preserve 12 per cent of all of the lands and waters in Canada.

This area, which is some 1,500 square miles, falls well within the rubric of what we are talking about in terms of that 12 per cent. It is quite different from the traditional Canadian perspective on national parks. Back in 1985 we began, thanks to the incredible foresight of our forefathers, to set aside Banff National Park. In those days, and in most of the days since, we have looked at the perimeters of certain pieces of land and we have sort of locked them away and said: "Within those areas that is national parks and we will protect them". Similarly the provinces and territories have gone along that route.

Thanks enormously to the Brundtland commission undertaken by the United Nations, the world and in particular Canadians have a much better understanding now of what kinds of land use planning, integrated planning by regional approaches, are necessary in order to protect the ecological integrity of the land masses that we have to protect, not only for ourselves but for future generations.

This particular area which my friend from North York pointed out runs from the Niagara escarpment in the west over to the Trenton area, in fact to the Trent River, is an incredibly important chunk.

• (1140)

It provides the headwater systems for the Rouge, the Don, the Humber, the Holland, the Nottawasaga and the Ganaraska, if I have said all of those properly. Being from B.C., I am not the best on some of these names.

The water from those bodies make their way into Lake Simcoe, Lake Ontario, Georgian Bay and ultimately, of course, into the lower Great Lakes and some 45 million of us drink from those waters.

The chunk of earth that we are talking about is incredibly important. We know that not only does it act as a sponge allowing residual waters to flow at the necessary levels throughout the year to protect the ecology and all of those water systems coming from the headwater, we also know that it acts as a fantastic, organic filtration system for all of the waters in this huge area.

We heard from both the previous speakers about the problems now, the incredible lack of co-ordination between the levels of government and the private sector developers. We know that this is going to require a co-ordinated approach by Crown Canada. I think my friend from York North has very well laid out the kinds of legislative frameworks that we can operate within to assist.

There is a need for Crown Canada to appoint negotiators who can fulfil those federal roles. Today I call on Bob Rae, the premier of Ontario and Ruth Grier, the minister of the environment, to play a useful role from the provincial side in relation to these 1,500 square kilometres and also with the municipalities.

It is through chambers such as this that we can also call on the private sector to not always be looking for the quickest, easiest way to make a buck with landfills, looking for places that are approximate to cities the size of Toronto to remove the extraordinary volumes of garbage that should not be pouring out of a city that size. We should be looking much more to the four *r*s in dealing with that garbage rather than looking for huge landfills, whether they are clay lined or not. We know that enormous amounts of leachate will eventually get out of them.

There are the growing difficulties on both Crown and on private land of the removal of forest cover and natural covers that act so importantly with such a body as the moraine which is so thinly covered by very light alluvials. I would like to quote from a paper prepared in a submission to the member for York North about the history of this incredible sponge and filter system before talking more about the aggregate problems and the tree extraction problems.

"One of the things that they point out is whether or not we will leave this area as a treasured legacy or as the scene of an ecological crime."

It goes on to give the geologic history: "Approximately 14,000 years ago as the Lake Simcoe lobe and the Lake Ontario lobe of the Wisconsin glacier retreated, rock and sand material transported by the ice accumulated in tremendous quantities within a temporary lake formed between the two ice fronts. It was the deposition of this rock material that formed the Oak Ridges moraine, and as this material was deposited into the water column, it became well sorted with the more dense rock and rubble material settling first, and the extremely find sand particles settling last. It is this fine sand on the surface of the moraine that makes it highly erodable when subjected to clear-cutting and other insensitive, human activities. It is the well sorted and granular nature of the moraine structure that accounts for the high permeability of its soils and the over-all lack of surface water bodies such as rivers and lakes."

That is taken from Peter Adams et al, published in 1985. It is quite small in the context of Canada: 1,500 square kilometres. We have the different levels of government that are involved, and we have the almost unremitting pace of developments that are affecting it, some intended such as landfills but some that are unintended.

There are probably still very few private property holders within the areas of the moraine that understand the real cumulative consequences of taking down an acre of trees here, and a hectare of cover over here. It is the cumulative impact of all of this, and then the cumulative nature of the erosion that comes with that which is causing the severe surface damage to the moraine.

Add to that what my friend properly was talking about in terms of aggregate extraction. I was a bit stunned to see on one of the papers provided that despite the existing provincial guidelines for the protection of the moraine, aggregate extraction in almost 44 per cent, almost half, is going to continue unrestricted. We know from research that the deep aggregate extraction, where large amounts of the lower aggregate are being taken for construction purposes, contributes to the elevation of temperatures in the discharge of the cold headwaters to spawning streams.

We are having all of these combined effects: the forest removal and the cover removal from both private and public lands; the aggregate removal which is changing the water temperature and affecting fish populations and obviously the over-all ecology; the chronic and dangerous problems of landfills which are allowing tens and now hundreds of millions of pounds of leachates to get into this incredible aquifer. We still must be, and I have said it before, one of the only species which so often uses our own kitchen as our sewer. It is something we have to think about. Even termites have developed systems for dealing with their own excrement in a different way than we have. This aquifer is being polluted with the most toxic forms of our garbage through landfills. It is being dealt with in a completely inhuman and unconscionably counter-ecological form in terms of the ways we are using it in terms of sewage disposal. We are stripping the surface.

It is time we really expressed ourselves with the kind of will that the Parliament of Canada is expected to express. If we are going to triple the amount of protected lands in Canada between now and the year 2000, this example by the member for York North is the kind of area we should be using. Not all of it. We are not suggesting you draw a line around the 1,500 square kilometres and say there will be no more development, no more people, no more this, no more that. That is hardly what we are saying. What we are calling for is a real bi-regional approach dealing with this as a headwaters issue, and using it as a flagship, saying that here is how we will protect this land over-all.

I think this motion is a very good starting point and I congratulate my friend for bringing it before Parliament today.

Mr. René Soetens (Ontario): Mr. Speaker, I rise today to participate gladly in this particular motion brought by the member for York North. It is certainly a very appropriate motion as it relates to our geographic part of Canada, shall we say. I know that the Oak Ridges moraine runs through the member's riding, as it does through my riding. In my term on municipal council in Ajax, prior to my election as a member of Parliament, for eight years we had to deal with the lower reaches of the Oak Ridges moraine and now as the member of Parliament for the riding of Ontario the upper levels of my constituency include significant portions of the Oak Ridges moraine. Not only does it include significant portions, but some 30 streams and rivers take their sources of water from the moraine.

I can tell you that creeks like Duffins Creek, Petticoat Creek, Carruthers Creek and Millers Creek all emanate from my riding. The Rouge River is on the western boundary of my riding and is obviously impacted. I know there are several other smaller streams that also can very clearly prove and indicate that the source of their water ultimately emanates from the Oak Ridges moraine.

I do not need to go into the description as members have done of the over-all magnitude of the moraine and its benefit to the southern reaches of Ontario. I would like to spend a little bit of time on the impact and some of the things that we can do.

There is no doubt that the moraine is significant and of tremendous value, but its true value has yet to be established. Certainly we know it is an important groundwater resource for the greater Toronto area and it provides drinking water for many of the small municipalities outside of the city of Toronto as well. However, there is a very delicate balance that has to be maintained in the Oak Ridges moraine.

• (1150)

Its form is a distinctly higher elevated landscape to the north of Lake Ontario. I think Lakeridge Road is probably a classic example because it runs from the lake to the higher reaches of the ridge and that is how it got its name. There are also other roads like the Brock Road and Wesley Road, but as you are driving north on these roads you can see that you are not only just driving north but you are driving uphill, you are driving to the upper reaches of the moraine.

Certainly the precipitation that falls in the upper reaches of the moraine seeps into the ground and eventually flows as ground-water south toward the lake and north for those areas affected in the Georgian Bay and Lake Simcoe areas. If you affect that particular area in a detrimental fashion, then obviously it will have an effect on many areas' supply of drinking water.

The Ontario government, however, I think has the lead role in the protection of this groundwater. I appreciate that the member has brought this issue to the Parliament of Canada, but I do believe that in our constitutional set-up we have already provided that the province of Ontario in this instance should have the lead role in the protection of groundwater and the protection of wildlife and open spaces provided by the unique natural forms and features of the area north of Lake Ontario.

In order to perform this vital function, the province has enlisted the support of municipalities throughout the area, conservation authorities, public interest groups, developers and citizen advisory groups. In my riding the metro Toronto region conservation authority is certainly very active, as is the central Lake Ontario conservation authority toward the east end of my riding.

In order to manage this moraine, really what we need to do is make sure that there is minimal removal or degradation of natural areas and the maintenance of natural wildlife corridors. The federal government is prepared to co-operate with the Government of Ontario in areas which may require expertise that we can provide. This could include items such as scientific research to aid in the understanding of the physical, chemical and biological processes which influence the quantity and quality of groundwater and surface water in the region.

The federal government's National Water Research Institute is strongly involved in both surface and groundwater studies and it is the largest freshwater research establishment in Canada and is based in Burlington, Ontario, so it is certainly very close to the Oak Ridges moraine. Through this institute, Environment Canada has a memorandum of understanding with the University of New Brunswick to provide assistance in developing an operation of a groundwater program at the university. It is that groundwater that I think initially is the main thrust, although not the only thrust, of the member's comments. Very clearly there is in place a mechanism and a system to look at the groundwater programs.

Scientists have worked jointly with the drinking water section of the Ontario government on an analysis study to develop expert systems for groundwater wells located in the Oak Ridges moraine and other areas of the province. I know that in my riding groundwater wells and groundwater problems in areas such as Whitevale and Claremont are certainly very high on the list of concerns of the people who live in those areas. There is a very clear and consistent concern about the cleanliness and safety of the drinking water sources for these people in a very direct fashion.

I realize that the member has mentioned the concerns about the Keele Valley landfill site. As the member knows, the alternative to the Keele Valley site is the Pickering landfill site and it has similar concerns and considerations as it impacts on the over-all drinking water clarity and cleanliness. I am happy in one sense to indicate that the federal government has some responsibility in that it is a significant landholder in the northern reaches of Pickering where it holds some 18,000 acres of land on the lower reaches of the moraine. I am happy to report and I am sure the member would be glad to know that the federal government continuously has said that there will be no landfill sites in that region that it owns for many reasons. Certainly one of the very clear benefits of that decision is that the groundwater contamination that he mentions as it relates to federal lands will not occur.

There are many open spaces and natural areas in the moraine which serve as a vital function to ensure the integrity and the continuing existence of a balanced ecosystem. Such areas can help provide us with clean air and water and preserve the diversity of plant life and wildlife habitat. It is certainly very common in the areas associated with these creeks and forests emanating from the moraine to see an assortment of plant and wildlife. There are some forested areas in the northern part of the riding such as the Glen Major conservation lands. Some 15 or 20 years ago I was involved with organizations planting thousands and thousands of trees in that particular area. This land is not sitting there without anybody looking at it.

There have been some very clear attempts to preserves these areas. Now with the green plan, for public organizations that wish to take advantage of additional tree planting programs, there are some tremendous opportunities. In reaches of the moraine such as Pickering we have the Seaton Hiking Trail, we also have the Ganaraska Forest, which I appreciate is outside of my riding but is another area of tremendous recreation significance to my constituents as well as to many others.

There is no doubt that the importance of maintaining this natural resource has been acknowledged. It has been acknowledged by the royal commission on the Toronto waterfront. It recommends the preservation of the ecological, scenic and recreational significance. It also recommends that a planning group with a clear provincial mandate be established to identify the conservation priorities. The prime consideration should be the identification of future development, land use objectives and a conservation plan for the moraine.

The provincial government has acknowledged its responsibility in this whole area. It has set up a study to do so and it has a particular interest in the Oak Ridges moraine as an area of special significance requiring increased control of development.

I believe the steps are well under way to accomplish the things the member has requested in his motion. I look forward to continuing discussion and debate on this issue.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, I would like to seek consent of the House to share my time with my colleagues.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor for five minutes each to the next two speakers?

Some hon. members: Agreed.

Mr. Mills: I would like to first of all congratulate my colleague from York North who must feel some sense of satisfaction today because during his last campaign he worked hard to bring to his constituents' attention the fact that the Oak Ridges moraine was an issue of concern. He made a commitment at that time to continue to work on this issue and here we are three years later in the House of Commons debating this very important issue and asking the government to take a lead role in co-ordinating all the various agencies of government whether they be municipal or provincial in making sure that the Oak Ridges moraine is protected.

One of the reasons I am so concerned and so supportive of the Oak Ridges moraine is because of the fact that the headwaters of the Don River, which is the western boundary of my riding, flow from the Oak Ridges moraine.

Although the Hon. David Crombie, Charles Souriol, Mark Wilson and others are working very, very hard on a variety of agenda items to begin the process of reclaiming the Don River, we cannot really see satisfaction for our work unless the Oak Ridges moraine is also put into a similarly protected mode. This is why I am so supportive of this. The Don River has now become a chemical cauldron filled with toxic and biological waste and some of that toxic waste flows from the aquifer of the Oak Ridges moraine.

• (1200)

I urge this House not to be sheepish or nervous about supporting this bill. Here is an opportunity where the government can take a lead role and I urge it to get behind it.

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I am pleased to address this motion put forward by my colleague from York North, together with my other colleagues from Broadview—Greenwood and Northumberland.

Time does not permit me to address all of the issues today, but clearly my riding of Scarborough—Rouge River has an interest in the Oak Ridges moraine, its preservation and its protection.

The issue that arises here is: Whose job is it, what level of government? The bottom line is that the job belongs to all levels of government and to all individuals, the human beings who populate the area.

The Oak Ridges moraine is the source of water for many rivers which have all been mentioned here today. They flow south through areas and one of the ridings in that area is mine, Rouge River. One of the rivers that derives its water source from the Oak Ridges moraine is the Rouge River. Happily the lands surrounding that river are on their way to being preserved, but there are 40 species of fish that populate the Rouge River. Some are quite rare, but they are there and alive unbelievably still. We want to protect the water quality and we want to protect the water quantity.

The type of activity now taking place on the Oak Ridges moraine is now starting to place the Oak Ridges moraine under stress. We want to take note of the fact that this activity is putting many of these rivers under stress. If the water quality deteriorates so does the quality of life for the species that need the river and for the human beings that need the water derived from those rivers.

Just to sum up very quickly, there are two facets here. We raised the matter in this House not just for the fish in the river but for the human beings around, for all of us. We are one ecological unit. Let the parliamentary record show that members in this House care about this issue and support the resolution of the member for York North.

The Acting Speaker (Mr. DeBlois): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

TRUST AND LOAN COMPANIES ACT

MEASURE TO AMEND

The House proceeded to the consideration of Bill C-4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, as reported (with amendments) by the Standing Committee on Finance.

SPEAKER'S RULING

Mr. Speaker: There are 95 motions set down on the Notice Paper for the report stage of Bill C–4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters.

[*English*]

Motions Nos. 1, 2, 3, 4, 6, 7, 11, 16, 18, 19, 21, 22, 25, 27, 32, 35, 37, 39, 40, 41, 44, 45, 46, 48, 51, 52, 59, 63, 64, 65, 69, 80, 81, 82, 83, 84, 86, 87 and 89, some 39 in all, standing in the name of the hon. Minister of State for Finance are technical in nature and either seek to amend the French or English versions of certain parts of the bill to ensure that they have the same meaning.

[*Translation*]

The Chair proposes to group these motions for debate with a vote on Motion No. 1 applying to the remaining 38 motions.

[*English*]

Motions Nos. 5, 53 and 55 standing in the name of the hon. member for Nickel Belt will be grouped for debate. Motion No. 5 will be voted on separately. A vote on Motion No. 53 will apply to Motion No. 55.

Motions Nos. 8, 9, 10, 12, 13, 14, 15, 17, 23, 26, 31, 33, 34, 36, 42, 43, 49, 50, 54, 56, 57, 61, 62, 66, 66A, 67, 70, 71, 72, 73, 74, 75, 76, 77, 79, 81A, 85, 88 and 90, some 39 in total, also standing in the minister's name are similar to provisions found in the other financial institutions bills.

I believe the hon. minister is trying to standardize and harmonize the corresponding wording in all financial institutions bills, and therefore I would propose that these motions be grouped for debate with a vote on Motion No. 8 applying to the remaining 38 motions.

[*Translation*]

Motions Nos. 20, 24, 28, 29 and 38, standing in the minister's name, will be grouped for debate and a vote on Motion No. 20 will apply to Motions Nos. 24, 28, 29 and 38.

[*English*]

Motions Nos. 30 and 47 standing in the names of the hon. members for Nickel Belt and Malpeque will be debated and voted on separately.

Motions Nos. 41A and 46A standing in the name of the hon. minister will be grouped for debate, and a vote on Motion No. 41A will apply to Motion No. 46A.

[*Translation*]

Motion No. 42A, standing in the name of the hon. member for Nickel Belt, will be debated and voted on separately.

[*English*]

Motions Nos. 58 and 60 standing in the name of the hon. member for Nickel Belt will be grouped for debate but voted on separately.

[*Translation*]

Motion No. 68, standing in the name of the hon. member for Malpeque, will be debated and voted on separately.

[*English*]

Motion No. 78 standing in the name of the hon. member for Nickel Belt will be debated and voted on separately.

For the convenience of the House I will recapitulate. Motions Nos. 1, 2, 3, 4, 6, 7, 11, 16, 18, 19, 21, 22, 25, 27, 32, 35, 37, 39, 40, 41, 44, 45, 46, 48, 51, 52, 59, 63, 64, 65, 69, 80, 81, 82, 83, 84, 86, 87 and 89 are grouped for debate, and a vote on Motion No. 1 will apply to the others.

[*Translation*]

Motions Nos. 5, 53 and 55 are grouped for debate. Motion No. 5 will be voted on separately. A vote on Motion No. 53 will apply to Motion No. 55.

[*English*]

Motions Nos. 8, 9, 10, 12, 13, 14, 15, 17, 23, 26, 31, 33, 34, 36, 42, 43, 49, 50, 54, 56, 57, 61, 62, 66, 66A, 67, 70, 71, 72, 73, 74, 75, 76, 77, 79, 81A, 85, 88 and 90 are grouped for debate, and a vote on Motion No. 8 will apply to the others.

Motions Nos. 20, 24, 28, 29 and 38 are grouped for debate, and a vote on Motion No. 20 will apply to Motions Nos. 24, 28, 29 and 38.

[*Translation*]

Motions Nos. 30 and 47 will be debated and voted on separately.

[*English*]

Motions Nos. 41A and 46A are grouped for debate, and a vote on Motion No. 41A will apply to Motion No. 46A.

[*Translation*]

Motion No. 42A will be debated and voted on separately.

[*English*]

Motions Nos. 58 and 60 are grouped for debate but will be voted on separately.

[*Translation*]

Motion No. 68 will be debated and voted on separately.

[*English*]

Motion No. 78 will be debated and voted on separately.

• (1210)

I will now propose Motions Nos. 1, 2, 3, 4, 6, 7, 11, 16, 18, 19, 21, 22, 25, 27, 32, 35, 37, 39, 40, 41, 44, 45, 46, 48, 51, 52, 59, 63, 64, 65, 69, 80, 81, 82, 83, 84, 86, 87 and 89.

MEASURE TO AMEND

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I rise on a point of order. I am wondering if the Chair could perhaps make available numerous copies of that particular decision to members who are in the House so that we can have a prudent debate for the remaining part of the day, because there are a lot of decisions which have been reached in accordance with the debate.

While I am on my feet, I am wondering if I might raise a concern while the minister is in the House. I presume that as we get to each of the amendments the minister will want to give a brief and succinct description of those amendments so that members of the House, particularly those who have not been privy to the debate at committee stage, will completely understand what the minister is attempting to do in making changes to the legislation which is under question.

I say that in order to try to facilitate the debate and the reasonableness with which the opposition approaches the subject matter.

Hon. John McDermid (Minister of State (Finance and Privatization)): Mr. Speaker, the minister will not be getting up and making those comments today. I am asking my colleague from Mississauga South who has been intimately involved in the process from day one and probably knows more about the Bank Act and the Trust Act, et cetera, than any other member of Parliament. I would think that is fair to say, except maybe my friend from Nickel Belt might lay claim to that.

I am sure that you will be interested in the comments by my colleague from Mississauga South who can handle this debate very well, Mr. Speaker.

Mr. Dingwall: Mr. Speaker, I have no difficulties with the minister's response. However, just so that it is crystal clear, the hon. member who has been a distinguished member on the finance committee for quite some time is in fact speaking completely on behalf of the government and the minister opposite is concurring with the views and the interventions which will be made by the hon. member opposite. It is just not a member of the finance committee making a few comments, but it is the government view. Am I right in my understanding of what the minister has put before the House?

Mr. McDermid: That puts me in a tough position, Mr. Speaker. However I do have faith in my colleague from Mississauga South that he will fairly represent the government's point of view on these amendments to the House of Commons.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we who have followed the history of these bills in committee have found that they are extremely complex bills and that the route was very tortuous. We dealt with Bill C–4, for example, and we finished will Bills C–19, C–28 and C–34. I want to say that I do not find it very professional that we would get 100 amendments to Bill C–4 hours before we come here to enter into debate on these very complex bills.

The opposition amendments have been in for two weeks now. Lo and behold we get these 100 amendments this morning and have to try to sift through them, sort through them, and even at this late stage we are approached by the government because in one of the amendments it forgot a section and will need unanimous approval to put it in and in Bill C–28 it missed several amendments.

I want to say that this was not a well organized operation. It has been very confusing, and now this morning is the latest in that series. I want to say that I hope the debate goes a lot better than what has presaged events this morning.

Mr. Dingwall: Mr. Speaker, I too wish to echo the sentiments of my colleague and that is why I asked the question. These amendments have just arrived and we will need a clear explanation as to what they mean and also the consequential effects that the legislation may have on other pieces of legislation before the House.

In terms of trying to facilitate the debate, I hope that the minister responsible and the member who will be responding on behalf of the Government of Canada will understand the dilemma that we as opposition members are confronted with at the present time in that we will want to have a clear explanation.

Of course hon. members opposite may stand in their place and say: "They are technical amendments and they really do not mean all that much". We have seen that case before under Bill C-35 where consequential amendments in themselves have been somewhat substantive.

As you might recall, Mr. Speaker, as you sat in the chair on Friday, Bill C-35 has not seen its passage in this House as of yet.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I also wish to speak on this point of order and the fact that all these amendments came to us this morning.

I believe the government has been dealing with the reform of financial institutions since 1985 when I served on the finance committee. We have been holding hearings and the finance committee has dealt with this, et cetera. The government has come in with a major number of amendments at the last moment. This is a very complex area and even a few technical changes of words can have tremendous effects and impacts in terms of the financial community.

We have no clear idea what the government is doing with these amendments, nor are we in a position to be able to determine the effects of these amendments until we hear presentations from the financial institutions and until experts can go through them. It is only then that we will know what is really meant by these amendments and the effects that these amendments will have.

As opposition members we cannot do our job properly, particularly in this area which is so highly technical, with the government coming in with a major number of amendments at the last moment.

Therefore I would like to move that this be set aside.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Before recognizing the hon. member for Mississauga South, I may recall that the Chair received the government's latest amendments Friday evening and that all the motions were examined by the Chair and its advisers so that a ruling could be given this morning.

The hon. member for Mississauga South, on the same point of order.

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I very much appreciate the problems of members looking at a host of amendments to Bills C-4, C-19, C-28 and C-34. Members will know that the huge number of amendments to Bill C-4 are totally as a result of the hearings held with respect to Bill C-19 and with respect to Bills C-34 and C-28.

As we worked through the legislation, a number of representations were made to the committee and to the finance people who were intimately working with the details of the legislation. It was given as an undertaking to everyone involved that the legislation would be amended so that all of the bills would be read together as financial legislation bills.

• (1220)

There is no intention here of trying to pull a fast one. I want to negotiate and talk from time to time to my colleagues on the other side of the House, which we will do at break points, in order to make sure that everything goes along the way it ought to.

I want to point out that this is difficult legislation, as my friend from Regina—Qu'Appelle said, but it is legislation we have been working on in great detail over a long period of time.

The first passage of what is now Bill C-4 occurred last year in the last Parliament. That bill has now been re-engrossed to report stage as Bill C-4 without further debate in the House because we wanted to move the legislation forward. However, as time went by, it became necessary to make changes and those changes have by and large been agreed upon by all of the parties that are affected by the legislation. Changes are there, particularly to Bill C-4 as we start debating it, to reflect the changes that have already been made in Bill C-19, Bill C-28 and Bill C-34.

Therefore, I want to say to the House that there are difficulties, as the House will know, in getting the legal work done to make sure that the amendments are correct. Just prior to the House opening it was brought to my attention that Motion No. 57, which is to be dealt with in the third order of business, has to be amended because unfortunately the people in Justice missed a subclause that was agreed to as a restriction on the activities of banks. Therefore, an amendment ought to be unanimously agreed to with respect to trust companies and insurance companies as is appropriate in the particular case.

This is complicated legislation but I want to say to the House and give the House an undertaking that should there be matters that ought to be changed or ought to be brought forward that are found as we go along, I believe this House ought to be prepared to go back on those issues to make sure that any defects that could appear are corrected.

However, as far as possible—and this is difficult stuff—every conceivable effort has been made to make sure that the bills reflect not the government's view completely, but the view of the finance committee as it passed the various bills through the committee.

There is a matter I am going to bring forward and ask for unanimous consent for where, on Bill C-4, the government, and as a result of representations on Bill C-19, made changes to loans that could be made to directors and officers of an institution. They have made a provision for banks but not for trust companies and insurance companies and we are prepared to make that change now. I hope the House would want all of these institutions to be managed in the same fashion so that the system of operation for trust companies and banks and insurance companies is essentially the same, bearing in mind, of course, that they are each in a slightly different field of business. Indeed, with respect to insurance companies, they are in a substantially different field of business in terms of the way they get their deposits from the public.

I would appreciate any help the House can give me here. The House will appreciate, and the member from Regina—Qu'Appelle will appreciate, that I have been involved in this legislation for a long time, indeed, much prior to the member from Regina—Qu'Appelle.

The matters were really before the House or before the finance committee and from time to time before the House in questions and debates and so on since 1981. So this is a matter that has been before us for a good 10 years. It is not a matter you come to all of a sudden, overnight. This is a matter that has been worked on by people in the financial industries, the ministries of finance and the people who worked well for us in CDIC and the superintendent's office over a long period of time.

I want to say to the House and give it this undertaking, that this legislation is our best effort to do the best job we can. While there may be problems with it, and the amendments may likely have the odd hitch in them, this is the best we can do. I think we ought to proceed as quickly as we can with it.

Mr. Dingwall: Mr. Speaker, I have several comments. I do not doubt the sincerity of the hon. member who has spoken, but a number of things have occurred. The hon. member has made reference to the fact that the subject matter that we are dealing with is indeed a very complicated matter. I think members of the committee were apprised that the government would be coming forward with amendments, and they have come forward with amendments. I think the government is within the appropriate procedure of the House in order to table those amendments, which it has. But in terms of simple courtesy —the hon. member shrugs his shoulders—we were the ones who consented to have these four bills wrapped together for the purpose of debate in order to facilitate the discussion and to assist the critics, and it makes sense.

Mr. McDermid: And it makes sense.

Mr. Dingwall: Absolutely, absolutely. But in terms of mere courtesy, to have a host of amendments dropped on you late on Friday afternoon, far beyond what was ever anticipated by members on this side of the House, is not fair game.

I understand that the government, the House leader, the parliamentary secretary and the minister responsible have the right to proceed. That is fine, but I wish to notify the Chair that the simple courtesies that we anticipated as a result of the co-operation given by this side of the House have not been forthcoming.

I accept the hon. member's undertaking that he is not attempting to fast track, or to use my term, to pull the wool over our eyes on any of these matters. But he as well as hon. members opposite must understand that when you are dealing with a subject matter as complicated and technical as this, the lateness in terms of a receipt of the amendment will put an onus on us, and particularly on the government, to explain in detail, on the floor of the House of Commons, as to the meaning and the consequential effects. I do not think it is sufficient just to say that because we received representations from party a, b, c, d, or institution a, b, c, d, e and f that we in the opposition have to sit in our places and nod concurrence because the government says this is the way it is.

The hon. minister shakes his head. In my view, he has broken a simple act of courtesy, and it may deter his ability to get his legislation through.

I just want to bring the point to the attention of the Chair that we are not very happy, not very pleased with the way in which this is being handled. My colleague from Malpeque, who has been the critic for the Official Opposition on this particular matter, also wishes to make her interventions and views known about the process which is being used in this debate.

I respectfully ask that the Chair allow her the opportunity to make that intervention.

Mr. McDermid: Mr. Speaker, I can assure my hon. friend that we expect full debate on the amendments and full explanations, hopefully to the satisfaction of the opposition.

I am convinced that it will be satisfied with the amendments because a large number of them are technical: commas, translation problems and so on. I am convinced that they will be accepted.

• (1230)

I can assure my hon. friend and my colleagues in the NDP that we will fully debate these amendments as we proceed through and my colleague from Mississauga South will lead that debate.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, on a point of order. I want to plead with you because you are my last resort.

I came here this morning wanting to speak to these bills as I have on other occasions. I have been presented with 95 amendments that I have not seen until now. The Speaker has made his ruling that some are in order and that some are not. This is how they will be dealt with and that is fine. The Speaker has seen these amendments before I have.

The last chance I have is to ask you, sir, to set this matter aside until all members, not just those who have had an interest in them, who will be asked to vote on these matters have the same opportunity to see the amendments that the government members have. I will cast no aspersions on anyone. The record of the House on these bills is exemplary to try to co-operate, to facilitate and to organize the debate. This morning the minister responsible is not present. I make no argument about that but I think, Mr. Speaker, that you have an obligation to each one of us. At this point you are the only one who can do anything about it.

It is not fair to ask the members to debate amendments which they have not yet seen. It is not fair to ask the members themselves to vote on matters that some members have seen and that other members have not. It makes no difference to me, as a member, whether the Chair has ruled that they are in order. The Chair has seen an amendment that I have not seen. I do not care whether it is in order or not, I do not know what it is yet.

I say this in the name of fairness for each individual member who will be called upon to vote on these amendments, who is supposed to know what they are but does not, who is supposed to know what they mean but does not. In this simple instance there is no possible way we could know what they mean. We have not seen them yet.

If the government were asking to adjourn the House, if it were asking to declare a national holiday, if it were a straightforward matter, a simple concise motion, the House would ask that you simply tell us ahead of time what the motion is. Then the House might be quite prepared to say "that is relatively a straightforward matter, fine, we can deal with that".

This is not a straightforward matter. There are 95 different amendments to very complicated legislation. It has been discussed and dealt with by this House in various shapes and forms for a lengthy period of time. We all know that each word, each nuance, makes a difference.

I ask the Speaker to make a simple ruling, not to quash anything, but simply to give the members an opportunity to look at the amendments which some members have already seen to see what the Speaker has already seen. As an ordinary member of the House I have not had the opportunity. My last chance to get that opportunity lies in your hands and I simply ask you, sir, not to stop the process, not to set it aside, but to give me the opportunity that some members have had. I believe that it is basically unfair and the House should not proceed with amendments to legislation when some members have seen it and other members have not. Sir, you are my last chance.

Mr. Speaker: Members may have a grievance.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, on the same point of order. I am the critic for my party and financial institutions. I find it totally unacceptable what is happening here this morning.

We have been at this process for over a year. It has been a very long and complicated process. We arrive this morning and we find dozens of amendments, I believe 95 in all, that we have never seen before. Several days ago, we in the Opposition had our amendments in. You would think that the government would try to have the amendments in.

Its only common courtesy that it should. We should have copies of these amendments before we arrive in the House to debate them. It certainly indicates to me that this government is really disorganized. I always knew that before but here is an extreme example. We are debating today the biggest reform of financial institutions ever to take place in the history of Canada.

The government comes in this morning and presents us with dozens of amendments that we are supposed to discuss.

As I said, this is legislation that is complex. We have been at it for over a year. We have to study each of these amendments and know how one affects the other, and so on.

I find it unacceptable that it would come in with these amendments and not give us time to look at them. I even heard this morning that one section was left out of an amendment.

If you do not call that total disorganization, I do not know what you call it. I think it certainly points out that the government is being arrogant, insensitive, discourteous and disorganized. As I said, I am the critic for my party for financial institutions and I find this situation totally unacceptable.

Mr. Rodriguez: Mr. Speaker, I want to point out the role that we have played in the committee.

I have been the critic for our party for financial institutions. I took that responsibility very, very seriously. All through the hearings on the bills in committee, I tried to annotate whatever changes we agreed to in the committee.

As subsequent bills came, I tried to match those amendments with the following bills because they were all interconnected. In fact, we have been very co-operative on this side of the House.

In the previous Parliament, we did Bill C-83. That was Bill C-4's previous name in another Parliament. We agreed unanimously to resurrect Bill C-83 in the form it had when the committee finished with it. We resurrected it as Bill C-4.

We agreed unanimously in this House. The co-operation of my party was given to extend the Bank Act for a year so that the Bank Act would not have run out in April 1990.

We agreed unanimously to second reading debate of three bills. We did three bills, Bills C-19, C-28 and C-34, in one shot. When last have you ever heard of three bills being debated at second reading in one shot? In one shot?

We did that, and we agreed that Bill C-4 would wait until we were finished with these other three bills. We then went to report stage. We went to committee stage and we dealt with those three bills very, very expeditiously.

All during the process, the chairman of the committee, the member for Mississauga South is going to lead the government, he is going to be *in loco ministerio*. While he cannot be a minister, he is going to act as a minister today with these bills.

All through the piece, this member for Mississauga South kept saying: "Look, this is a done deal". Even this morning he reiterated it to me: "This is a done deal". The parties involved, the trust companies, the banks, the insurance companies, the co-operatives, have all agreed to this. It is a done deal. It is brokered.

If this opposition or members on the government side want any changes, nothing can be done. What a eunuch role for members of Parliament. The boys at the bank, the boys at the insurance companies, the boys at the trust and loans, and the boys at the co-ops have already decided what the legislation is going to be.

If we want to stop at anything that is important for the people of Canada with respect to the legislation, there is nothing we can do. It is a broker deal. Our hands are tied. Ours is just to say: "Yes, sir. How many bags full, sir. Yes. Take. Go. Go."

If you look at the minutes, that is how most of these bills went with 600 amendments.

• (1240)

On clause 416, they just went "carried, carried, carried".

I want to say that the straw that broke the camel's back was in having entered our amendments two weeks ago and constantly asking "Where are the government amendments?" What we wanted to do was verify, technical as they may be, those amendments that were handed to me this morning in the Order Paper. We wanted to check those against what we had agreed to in the committee. As a result, even as we were doing this the chairman of the committee, *in loco ministerio*, comes over and says "Look, we missed a subclause on 416 and I just got a call from John Evans over at the trust company and he said we didn't fulfill what we promised and what we had agreed to; what was done in the done deal isn't done here in the legislation". Then there are some C-28 amendments.

I do not think that is the way we should be doing business. Quite frankly, we are accepting the justice department's good work and flawed reputation of the past in missing clauses to say "we trust you, what you say is fair is fair." I do not operate that way and I wanted time to verify those amendments with the bills. That is the way I operated in the committee, as members who sat on that committee know, and that is the way I operate now that we have come to report stage. I do not see that putting this off till three o'clock is going to delay anything for the government. After all, we have been very co-operative up to this point. I think that is what we should do.

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I want to just take a few moments to participate in this point of order because I think there are some very valid points being made.

I want to begin by saying that I thought the process in which all were parties engaged in the handling of these four financial bills is a model of the way Parliament ought to work. We have demonstrated between all three parties how we can co-operate, how we can handle very complex, very difficult issues in a way that I think demonstrates a lot of wisdom and a lot of leadership on the part of both sides of this House.

I want to begin by saying that and to compliment my colleagues not only on this side of the House but also those on the other side of the House for the work and the co-operation they have given us.

It is obvious that there has been a very unfortunate error in process here, and it is one that I can only ask that the House forgive. I say "the House" because I do not necessarily mean the opposition members; the government members are just as unhappy about that. I apologize for that error. We are going to try and do the best we can to correct it. I would suggest that we call it one o'clock which will allow members to go back and have a look at things and get it sorted out.

The Acting Speaker (Mr. DeBlois): Members have heard the motion of the parliamentary secretary.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, I got myself into this dilemma a while back. May I suggest that we suspend the sitting until two o'clock?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent?

Some hon. members: Agreed.

[*Translation*]

SITTING SUSPENDED

The Acting Speaker (Mr. DeBlois): The sitting of the House will therefore be suspended until two o'clock this afternoon.

The sitting of the House was suspended at 12.40 p.m.

SITTING RESUMED

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

Mr. Speaker: I wonder if I could have the attention of the House for just a moment. I would ask all hon. members during statements by members to be very sure they keep their statements within 60 seconds. Thank you.

* * *

EDUCATION

Ms. Mary Clancy (Halifax): Mr. Speaker, I rise to remind this government that its economic policies are affecting people in very negative ways. The latest example are the cuts to the provinces for education.

Dalhousie University in Halifax, which has prospered over the previous 200 years, has barely managed to survive seven years of this government. It is the educational centre of the Atlantic region, employing over 1,000 full-time faculty and educating almost 20,000 students yearly in many disciplines.

If there is a key to the regional prosperity of Atlantic Canada, Dalhousie must be a part. But now Dalhousie has to raise its tuition rates by 10 per cent, making them among the highest in the country. This increase will fall directly upon the backs of those who can least afford it, students.

This government must realize it cannot mortgage its future this way and it must realize that it is wiping out the key to this country's future prosperity. A strange state of affairs for the self-styled education Prime Minister.

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[*Translation*]

HOUSE OF COMMONS

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, in the spring of 1990, the House of Commons purchased a two-colour, 40-inch offset press for $800,000, without a thorough analysis of future demand or possible alternatives. It asked the Board of Internal Economy to approve the purchase on the grounds that the press would improve productivity, reduce overtime and increase capacity.

Apparently, any gain in productivity would apply solely to specialized, multicolour lithography, which could be contracted out to commercial printers. At this time, our employees are claiming very little overtime, and as I said before, the existing presses are more than adequate to the task. Today, 19 months later, the new press is not yet installed or even unpacked.

Mr. Speaker, on behalf of our taxpayers, I would ask you to return this luxury item as soon as possible.

* * *

[*English*]

THE GREY CUP

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, from far and wide they came to Winnipeg. They came to spend a great time in a great city watching the ultimate in Canadian sports, the Grey Cup.

Winnipegers can be proud of the wonderful week provided to all visitors. There were parties, receptions, benefits and just good old fashioned Winnipeg hospitality. From the minute visitors arrived they were made to feel at home.

Yesterday's game was a classic match of east versus west. Whether we watched it at home or from the stadium, there was a good time to be had by all.

This Grey Cup was also a reminder that the spirit of Canada is very much alive in Winnipeg. We were happy to show everyone that we can still have a great time together as Canadians.

Congratulations to the city, the volunteers and the CFL for a great show.

* * *

DELTA MARITIME HERITAGE SOCIETY

Mr. Stan Wilbee (Delta): Mr. Speaker, last Saturday the Delta Maritime Heritage Society held the keel laying ceremony for construction of a replica of the launch that was used by Captain Vancouver in charting the waters of the Pacific northwest 200 years ago. It is the same launch used by Captain Bligh when he sailed to Java after the mutiny on *The Bounty*.

The launch will be built mostly by volunteer labour over the next few months using only hand tools. After completion, it will be sailed by young people in a good will tour through the same areas in the Pacific northwest visited and chartered by Captain Vancouver. This tour will last 22 weeks after which the launch will be used by local groups such as the sea scouts for training purposes and other expeditions.

The Delta Maritime Heritage Society is to be commended and supported for its ambitious and exciting project. Delta residents can be justly proud of being a part of the re-enactment of a significant historical event that coincides with Canada's 125th birthday.

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AGRICULTURE

Mr. Ron Fisher (Saskatoon—Dundurn): Mr. Speaker, today a delegation of over 100 prairie farmers is arriving in Ottawa. They are here to talk to members of Parliament about the severity of the crisis in agriculture.

In 1990, 44,000 farm families in Canada went bankrupt or became insolvent. For the same year Canada's total agriculture debt was $22 billion. In my province of Saskatchewan two farm families are forced off the farm every day. This year the total net income for Saskatchewan farmers will decline by 52.9 per cent. The farmers are here this week to try to draw attention to this crisis.

As if the situation were not bad enough, the Prime Minister is adding insult to injury by refusing to meet with this delegation and the Minister of Agriculture is not available. How interesting that they were both readily available when Grant Devine was looking for a bailout at election time.

It is time that this government quit playing politics with the lives of farm families and acted on the escalating crisis.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, since the Oka crisis in the summer of 1990, we have found out a great deal. It seems that the real reason behind the raising of the barricades in Oka and at the Mercier Bridge was to allow the Warrior Society to take control. There is evidence to prove that, Mr. Speaker, because since those events, Quebec Provincial Police has been unable to proceed with arrests of Mohawks guilty of criminal offences—more than 400 warrants have been issued by the courts—because they are protected by the bands.

The RCMP tells us that cigarette smuggling operations by the Mohawks are costing the government more than $350 million in taxes and that members of the RCMP were attacked by Mohawks on the weekend just because they were doing their job.

We are told that Hydro-Québec for instance, cannot cut off power to the Mohawks as it does in the case of white people who don't pay their hydro bills, because of fear of attacks and retaliation. Today we are told by the Canadian Security Intelligence Service that the Mohawk Warrior Society maintains contacts with extremist groups and is extending its influence in Quebec and Ontario.

It is time governments tooks a firm line and cleaned up these autocratic Mohawk societies. We cannot have a double standard in this country. The security and integrity of our justice system must prevail.

* * *

[*English*]

CAPE BRETON ECONOMY

Mr. Russell MacLellan (Cape Breton—The Sydneys): Mr. Speaker, yesterday in Sydney, Nova Scotia, more than 3,500 people marched through the streets to express their concern over the lack of employment opportunities on Cape Breton Island.

In 1984 this government promised jobs, jobs, jobs. In 1988 it held forth free trade as the salvation of Atlantic Canada. Instead, Cape Breton has experienced massive lay-offs, rising unemployment rates, anger and despair with government initiatives.

Sadly our young people are leaving in record numbers simply because there are no jobs. The government must realize that thousands in Cape Breton are suffering and will continue to suffer this winter because of unemployment. It must stop funding fly by night entrepreneurs and give Cape Bretoners the tools to do the job.

Instead of that the president of ACOA is saying the reason Cape Breton has not been revitalized economically is that it has bad weather and its illiteracy rate is 10 per cent higher than the national average.

When is it going to stop this embarrassing and disgraceful method of trying to cover itself and do something concrete to help the economy in Cape Breton?

* * *

THE ECONOMY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, in a few minutes Question Period will begin and, if the opposition party leaders are true to the pattern they have established every day Parliament has sat for the month, they will rise to talk about how bad the national economy is, how many people are out of work, and how it is all the fault of the government. It is almost like they take a lot of enjoyment from economic misery because all this negativity hurts the party in power.

I would like to remind the opposition leaders that they too have responsibilities. Today mortgage rates are about the lowest they have been in two decades. The prime rate is at a 13-year low. Inflation is well under control and within three years Canada will no longer have a deficit. That is good news to be sure. But what we are missing is the spark that will re-ignite the economy. That is consumer confidence.

I call upon the opposition leaders to help inspire that confidence by ending their daily negative and partisan dumping on Canada.

* * *

• (1410)

THE GREY CUP

Mr. Derek Lee (Scarborough—Rouge River): Mr. Speaker, I rise to extend congratulations to the winner of the 1991 Grey Cup, the Toronto Argonauts.

Some hon. members: Hear, hear.

Mr. Lee: In a tradition which began in 1909 with the donation of the cup by Earl Grey, Canadians gathered in Winnipeg yesterday to play out this modern sports spectacle. Tribute is due to the winning Argonaut juggernaut that brings the Grey Cup back to Toronto for the first time since 1983.

Congratulations are in order as well to the Calgary Stampeders and to the management of both teams. It is worth noting that it was the city of Calgary that initiated the Grey Cup Week celebrations in 1948 and which continue to be a part of the excitement and vitality of Canadian football.

Toronto looks forward to keeping the Grey Cup in Toronto for a while and looks forward to next year's challenge.

* * *

THE GREY CUP

Hon. Alan Redway (Don Valley East): Mr. Speaker, when Toronto lost its Olympic bid it also lost much of its self-confidence.

Since then the poverty which those who opposed the Olympics wanted addressed has actually increased rather than decreased because Toronto not only lost its self-confidence but its business and consumer confidence as well.

With its Grey Cup win yesterday, the Rocket Matt Dunigan and the rest of the Argonaut crew have given Toronto its pride and self-confidence back. That victory means much more than just a national football championship, because if a little guy playing a big man's game and another man playing with a broken collarbone can win it all, there is no reason why the rest of us with that same spirit and determination cannot get both Toronto and Canada moving again.

Thank you, Argos.

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GREAT WHALE PROJECT

Mr. Jim Fulton (Skeena): Mr. Speaker, one of Canada's leading scientists, Dr. David Schindler, has blown the whistle on the Great Whale hydroelectric project.

Dr. Schindler warns that Great Whale could contribute more to global warming over several decades than would be contributed by generating the same amount of power by burning fossil fuels.

In Geneva one year ago Canada committed to stabilize our total contribution of greenhouse gases at 1990 levels by the year 2000. This goal is far below the unanimous all-party report of this Parliament, *Out of Balance*, which calls on Canada to reduce by 20 per cent from 1988 levels by the year 2005.

Nevertheless, Ottawa and the Bourassa government can no longer avoid reality. The methane releases from massive projects such as Great Whale pose a real measurable threat to global climate.

Dr. Amory Lovins calculates that as much energy can be saved on the Island of Montreal through energy efficiency and conservation as would be produced by Great Whale. This would create thousands of permanent jobs and small businesses.

The truth about Great Whale is out. It is an atmospheric disaster.

Mr. Speaker: The hon. member's time has expired.

* * *

ATLANTIC SALMON FISHERY

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, now that the final statistics are available for the 1991 Atlantic salmon season, we can see starkly that it was one of the worst on record.

Compounding the conservation dilemma has been an ever increasing demand upon the resource by anglers, commercial fishermen and the aboriginal food fishery alike. Indiscriminate harvesting by gill-nets has added another perilous dimension.

Clearly there is a compelling need to redefine our vision for the use and management of this great resource and, above all other considerations, to ensure its conservation and survival.

Especially in New Brunswick the situation has become critical, and commendably the Minister of Fisheries and Oceans has already committed to a planning conference among all user groups for the salmon's future. The timing for such a conference is also critical if it is to have any effective impact on next year's season which will be upon us all too soon.

I urge the minister to convene this conservation conference as quickly as possible.

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[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, the government has just signed a pact with the Leader of the Liberal Party to submit its constitutional proposals to a Canada-wide referendum. The purpose of this manoeuvre is to divest the National Assembly and the Government of Quebec of one of their basic prerogatives, which is to organize the referendum by which Quebecers will decide their future.

The future and destiny of Quebec will be decided in Quebec, by Quebecers and under the aegis of our own democratic system! Quebec will not countenance a federalist Canada-wide campaign in which Ottawa will manipulate the question and make the rules. Six members and one Tory minister have already shown they have the guts to fight this decision. Quebec is waiting to see what the rest will do.

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[*English*]

VIOLENCE AGAINST WOMEN

Mr. Benno Friesen (Surrey—White Rock—South Langley): Mr. Speaker, I rise before the House today on the occasion of International Day to End Violence Against Women.

Violence against women may be the most pervasive yet least recognized human rights violation. It is a problem common to virtually all countries, cultures and classes. However until recently it received little international attention.

I am proud to advise the House that Canada is one of the leading nations addressing the problem. Earlier this month at the United Nations in Vienna Canada sponsored a meeting of international experts to consider means to eliminate violence against women. The meeting strongly recommended that the UN adopt a declaration on violence against women to set out measures to address the problem.

I can assure the House that Canada will continue to take a leadership role internationally to develop measures to counter this pervasive problem in order to ensure that women are able to live free from fear and violence.

[*Translation*]

ARTS AND CULTURE

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, Quebec's cultural community is greatly disturbed by the Arpin report recommendations that the Canadian government should withdraw from the cultural sector. People in the film, television and publishing industries, including producers, directors, technicians and authors of books, films and videos, with their colleagues in the recording industry, as well as many members of the *Union des artistes*, totally disagree with this approach.

The arts community in Quebec is well-known here and abroad. Its creative spirit and talent reflect the diversity of our society. However, the vast majority of its members recognize the fact that their energy and enthusiasm would no longer be the same without the financial contribution and the sustained and indeed necessary support of the Canadian government.

That is why I hope members of this House and members of the arts community will explain to others the advantages of the federal government's contribution to arts and culture and urge the government to maintain its contribution intact.

* * *

[*English*]

CROSS-BORDER SHOPPING

Mr. Ken James (Sarnia—Lambton): Mr. Speaker, earlier this month the media reported that the government might be considering a fee to be paid by returning Canadians at the border. My immediate and public reaction was: Over my dead body.

I wrote a letter to the Minister of Finance to that effect. The minister knew of my strong opposition to such a surtax. We do not need a fee which will unduly increase the workload of our customs officers and run counter to our efforts to move the traffic at the border. What we need are initiatives to address the underlying causes of our uncompetitiveness, federal measures that complement and supplement those which need to be undertaken by the private sector and our provincial counterparts.

For a few weeks the minister made me sweat it out. I could not sleep at night. I was on the edge of my seat. My wife said I was more irritable than usual.

Finally last week I met with the Minister of Finance. At the meeting the minister gave me his assurances that the federal government would not proceed with this cross-border levy.

On behalf of my friends, my family, my staff and my constituents the message to the Minister of Finance is thank you: "Thank you, Mr. Minister, for this breath of life and this momentary peace of mind".

ORAL QUESTION PERIOD

[*Translation*]

POVERTY

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, my question is directed to the Acting Prime Minister. Two years ago, all parties in this House supported a resolution to eliminate child poverty in Canada, and for two years the government has done nothing about this terrible situation. Today, the number of children living below the poverty line in Canada is greater than the entire population of Nova Scotia or Saskatchewan. These children are Canada's future. Does the government intend to act and do something about a problem as the House of Commons had asked it to do two years ago?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I think it was reported recently that I was about to make a major statement on poverty in general, and more specifically on children. This may include both children at risk and other child-oriented issues. However, the Leader of the Opposition knows perfectly well that this is above all a matter under provincial jurisdiction. Perhaps he could ask the hon. member for Hamilton East. I imagine her leader would care to listen, and if she would have the decency to listen when we are talking about children, she might understand these issues.

[*English*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to ask a supplementary question of the minister.

In the last election the government made a very clear promise to have a national child care program. As I said earlier, the population and the children who live in poverty in Canada would fill the Toronto SkyDome 200 times.

• (1420)

We read in the paper this morning that the government is waiting to introduce this program at a time when it will be closer to an election. These children cannot wait for an election, they have a problem right now.

I want to know from the minister when this promised program will be introduced. It has been three years, almost to the day since the election was held.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I repeat what I said. I said it has nothing to do with the election. Before January we should be able to produce a strategy for children, having in mind what has to be countered in a program for children today, particularly sexual abuse, children's place in the family, violence and so on.

I also said we will consider the question of child care. The Leader of the Opposition was told yesterday by specialists that we should not spend money we do not have. That is the first reason for poverty.

* * *

REGIONAL DEVELOPMENT

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, we learned yesterday that it is possible to have prosperity in Canada and to make sure at the same time that it is possible to keep the people of Canada and the poor in dignity. This is what we learned yesterday.

I have a question for the Minister of Finance. Four thousand people in Cape Breton took to the streets to try to save the economy of their region. They do not want any more of these fly-by-night operators who come in, get money from the government and then go with the cash and do not leave any jobs behind.

I want to know from the Minister of Finance when we can make sure that the people of this part of Canada, who were protesting over the weekend, will get what they want, jobs. They do not want handouts, they want dignity, jobs, and they are waiting for this government to act accordingly.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, at the outset I want to congratulate the hon. Leader of the Opposition and his party for entering the real world of global reality. I followed to some extent the discussions that went on with his senior people who were talking about the future.

Globalization is a fact of life. Canada is a part of the global economy and it is necessary for us to get our fiscal house in order. It is necessary for us to make the structural adjustments and changes, be it in tax reform, be it in trade policy, be it in implementing a GST, which replaces the old federal sales tax which was a silent killer of jobs, be it the free trade agreement. These are the kinds of initiatives that will bring about long-term prosperity and economic durability and that is the policy of the government.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is for the Minister of Finance. Yesterday in eastern Nova Scotia thousands of people participated in a march of concern to draw attention to a national crisis of unemployment in Cape Breton and the horrendous number of welfare claimants.

Jobs and dignity were their slogan. Now, on their behalf, I ask the government for the government's assistance. Will the Minister of Finance direct senior officials of the Atlantic Canada Opportunities Agency to meet with municipalities, business and labour to put in place an emergency employment program for Canadians who reside in that region of the country.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the minister responsible for ACOA is in the Atlantic region every weekend if not every week. He meets with interest groups, he meets with people who are interested in new job opportunities, new economic opportunities and he is there to lend a helping hand.

If the hon. member has any specific suggestions to advance to the hon. minister responsible I would be pleased to convey that to him.

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, I would remind the minister that the unemployment situation in Cape Breton is a national crisis.

People have lost their dignity and families believe the future is extremely bleak. But Cape Bretoners, as Canadians in that region, have not lost the hope that they can make a meaningful contribution to Canadian society.

Therefore, I ask the Minister of Finance if he, in co-operation with the minister responsible for ACOA, will order their federal agencies, CEIC, Enterprise Cape Breton and ACOA to meet with business, labour and municipal representatives to put in place and implement a plan before we adjourn this House at Christmas. Will the Minister of Finance give that undertaking?

Hon. John C. Crosbie (Minister of Fisheries and Oceans and Minister for the Atlantic Canada Opportunities Agency): Mr. Speaker, there is absolutely no need to give any orders to that effect to officials of ACOA or to officials of these other departments because they already know what the task is. The effort to create employment and jobs in Cape Breton has doubled since 1984. The amount of money spent in overcoming regional disparity has gone up by a tremendous amount.

In Cape Breton, for example, since the ACOA program started, the authorized contributions to economic development have been $75 million and $253 million has resulted in project costs. Extraordinary efforts have been made through Enterprise Cape Breton and in other directions in Cape Breton.

Very often we hear criticisms that we are taking too many chances down in Cape Breton and not the reverse.

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AGRICULTURE

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my question is for the Minister of Finance who will be meeting with a large delegation of prairie farm leaders tomorrow, leaders who are here not only because farmers have no money but because they face a debt problem of Third World proportions as well.

Since 1982, the value of farm assets on the prairies has fallen by $20 billion. Prairie farm debt stands at $12 billion, with no income to cover it. Since over 24,000 prairie farmers went bankrupt or became insolvent last year, will the minister stop this devastation of the farm community by placing a moratorium on Farm Credit Corporation foreclosures immediately?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is very much aware of the trade war that is going on wherein farmers in Canada find themselves in a squeeze.

We have responded not only this year but in previous years. There was a poll that reflected that fact this week where over 90 per cent of the farmers that were surveyed indicated that they are only in business today because of the support that has been given to them by the Government of Canada. That is continuing.

In so far as his suggestion about placing a moratorium on the Farm Credit Corporation foreclosures is concerned, we have a process in place through the Farm Debt Review Board which I think has worked very satisfactorily. It has not been perfect but it has provided a mediation approach where farmers can sit down and work out their credit difficulties with independent people serving as arbitrators. I think that process has worked very well because to provide a moratorium has consequences as well.

Mr. Ray Funk (Prince Albert—Churchill River): Mr. Speaker, my supplementary question is for the same minister.

I know the government has dished out a lot of money and I know that a blizzard of discussion is going on but the truth is that at the same time the FCC is out there like the grim reaper, mowing down farm families right across the prairies.

Will the minister do what the Agriculture Credit Corporation in Saskatchewan has done and announce an immediate freeze on all FCC foreclosure actions so that there will be some farmers left when this farm crisis is finally resolved.

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, if the hon. member has any examples of unjustifiable actions taken by the Farm Credit Corporation against farmers, I wish he would bring them to my attention or the attention of the Minister of Agriculture because I am sure he would be very interested and we could certainly deal with those issues.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, my question is also for the Minister of Finance. Since two farm families are forced off the land every day, the system is not working. A much larger and long-term solution needs to be found.

The Government of Saskatchewan will be attempting to formulate a solution and will be inviting the federal government as well as the private financial institutions to meet together to work out a better long-term solution. Can I get a commitment from this government to fully co-operate in that effort so that we can find a long-term solution to the farm debt and to the whole question of the intergenerational transfer of land?

• (1430)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member is aware, I am sure, of the debate which took place earlier in the House. We have established the GRIP program and the NISA program, the Gross Revenue Insurance Plan and the Net Income Stabilization Account which is broad legislation that not only provides assistance today but down the road. It will provide stabilization for the future. This is a long-term approach to providing support and stability to the agricultural community.

I think the hon. member, who tends to criticize that particular approach, would do well to review that particular program and its effectiveness because even now as I speak money is flowing to the farmers under the Gross Revenue Insurance Plan as well as the Net Income Stabilization Account. In addition to that, $600 million plus in emergency financial assistance was provided this spring, plus another $800 million worth of emergency assistance was provided this fall which is in the process of being distributed before Christmas.

Surely, Mr. Speaker, we have in place the permanent types of programs as well as the *ad hoc* programs to help farmers in this time of need.

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[*Translation*]

OCCUPATION OF CANADIAN EMBASSY IN HAÏTI

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, many Canadians are worried about the occupation of our embassy in Port-au-Prince which has been going on for days.

I want to ask the Deputy Prime Minister why, after a week, the government has been unable to take control of the situation. Why not ask for the help of a third party, such as the churches or international organizations, in putting an end to this occupation?

[*English*]

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, there really has been no change in the situation. We have said to those who are occupying the Canadian embassy that it would be in their best interests to leave as quickly as possible, as peacefully as possible, so that no harm would come to themselves and no further damage would be done to our embassy. That is a position which has been supported by President Aristide and by the Haitian community in Montreal.

Once again we would say to them: Leave our embassy as quickly as possible.

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, the situation is becoming ever more confused. The Prime Minister in Paris last week said that the situation is in the process of being resolved in Haiti, that the return of the Aristide government seems to be totally uncertain.

The embassy has been occupied now for over a week. I want to ask the government and the minister, what makes the Prime Minister so optimistic. What kind of additional measures is the government taking to end the occupation? In particular, can the minister tell me if the delegation of the OAS which will be in Port-au-Prince today will undertake to address the stand-off in the Canadian embassy and use their good offices to end this occupation?

Hon. Mary Collins (Associate Minister of National Defence and Minister responsible for Status of Women): Mr. Speaker, it has not been a week as yet since the occupation took place. I think the best approach with this type of situation is to send a very clear and unequivocal message to those who are illegally occupying the Canadian embassy that they should leave peacefully and quickly and enable us to return to business as usual.

The delegation which is obviously involved with the OAS has other issues which they are addressing. At this point we continue to maintain the position that those who occupy the embassy should leave.

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[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, my question is directed to the Minister responsible for Constitutional Affairs.

In the House last Thursday, the government House leader said, in reply to a question by the hon. member for Cape Breton—East Richmond, that he had no information about any referendum legislation.

I wonder whether the minister had a chance to talk to his colleague and whether today he can give this House the assurance that the government will table a bill allowing the government, if it so chooses, to hold a referendum as soon as possible on a constitutional question.

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, as agreed last week, there will be a meeting of the three House leaders this week to discuss a time table that would allow the government to table legislation to reaffirm—Does the Bloc québécois want to improve my pronunciation, because I also have a couple of improvements to suggest, for their benefit.

Hon. André Ouellet (Papineau—Saint-Michel): Mr. Speaker, I would appreciate it if the minister would finish what he was saying. He was interrupted by people who will not tolerate acceptance of any constitutional proposal that would be favourable to Canada. Could the minister give us the assurance that any proposed referendum legislation would provide that if a referendum were held, it would be on the basis of a double majority: first, a national majority and second, a majority in each region of this country? It would show Bloc québécois members that there is no reason to get upset and try to scare Quebecers, and that a Canada-wide referendum would allow not only Canadians but also Quebecers to state that they want to stay in Canada.

Some hon. members: Hear, hear!

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, last week, the Liberal Party asked whether I was prepared to give guarantees that we could start working on a referendum bill before Christmas. I said that we could make a commitment, that there would be a discussion among the House leaders this week to look at this question. The Liberal Party wanted more, but I said that the government had committed itself to a meeting of the House leaders to discuss how Parliament could pursue the commitment given in the Speech from the Throne. Once again, I want to make it clear that if a national referendum were necessary, this government has no intention of having a decision approved in another part of Canada— of imposing a position on Quebec. That is quite clear.

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[*English*]

CHILD CARE

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I have a question for the Deputy Prime Minister concerning child poverty and the House's resolution on the matter.

The group called Campaign 2000 announced this morning, in trying to implement that, what they saw as principles. I wonder if the Deputy Prime Minister would agree with their version of the obligations of Parliament. Does he agree that the federal government has the paramount responsibility to finance national programs, to maintain national standards and to create a framework with provincial governments for the development and implementation of national strategies to eliminate child poverty?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I said before that we are working first with the provinces concerning child poverty and we will continue to do that.

I refer my friend to the $6.7 billion in programs which we put into the system every year. Moreover, if we consider all the tax credits and all the tax cuts that we have for Canadians it comes to about $15 billion a year. I do not say that it is too much, I say that it is a lot of money and it is done in light of the capacity to have to do that.

We are looking for a package which will allow us to find ways to do more.

Once again I repeat, Canadians have to know that the costs of programs dealing with children and families are one-tenth of the Canadian budget. It is not too much but I believe it is the second highest level in the world.

Mr. Mike Breaugh (Oshawa): Mr. Speaker, I have a supplementary question for the minister.

While the minister is thinking about what he might do, he should be aware that in Halifax, for example, there is an opportunities program run by Bayers-Westwood Family Support Services Association. That program provides much needed child care for some 60 children. Their funding will expire at the end of December. Will the minister give us the commitment today that that one example of parents trying to help themselves and help others work out of the poverty cycle will have its funding extended and that it will be in place and operational in January, and that the funding will not be terminated in December.

• (1440)

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, obviously, I cannot make a piecemeal approach commitment in the way my friend would like.

I repeat what I said when answering the Leader of the Opposition, that child care and child poverty refers first to the province of Nova Scotia.

If my friend listens to me, I think he will understand. The member believes that we have the capacity to put $3 billion, $4 billion or $5 billion tomorrow into the child care system in this country. It is not a fact. That is to spend money we do not have. We are trying to harmonize the money we put with the capacity to do that. Child care will be dealt with within the capacity we have to pay.

DAVID MILGAARD

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Minister of Justice. We are all still waiting for something positive on the David Milgaard case.

Milgaard, 22 years in jail, still awaits a possible new trial. He waits, his family waits, his lawyers wait, we all wait. All we get is a story that someday the minister will rise in her place and tell us her decision, but that day never seems to come. Is the minister in a position today to announce her decision?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, first of all when I am ready to announce a decision, I will announce it to the applicant and not to Parliament. My relationship is with the applicant and his counsel. His counsel have just been to Ottawa to deal with Department of Justice officials. A number of questions were dealt with at that time. They went back to Winnipeg to consider a number of points and communicated with us in the last few days their views on those points.

I am hopeful that response will enable me to render a decision in the near future. If the hon. member had in fact kept up with the progress of this case, he would not make the comment that he makes in this House.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, the situation is quite unbearable. How long do we have to wait?

I am advised that at the beginning of November Milgaard and his lawyers were advised by the minister or the department that a decision would be forthcoming within two to three weeks.

That time has gone and I think what we are into is mental torture. Why can this minister not end the pain and make her decision now?

Hon. Kim Campbell (Minister of Justice and Attorney General of Canada): Mr. Speaker, I will repeat that my relationship is with Mr. Milgaard's counsel. That is a relationship that has been fruitful. I am hopeful of being able to render a decision in the very near future.

I would point out that unlike comments made by the hon. member, my decision is confined to the evidence before me, not to the speculation of the hon. member.

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REGIONAL DEVELOPMENT

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, my question is for the Deputy Prime Minister in the absence of the Minister responsible for Western Diversification.

Two weeks ago the province of Manitoba and the city of Winnipeg expressed jointly their willingness to sign a third core area initiative. This took place at a public meeting held in the poorest neighbourhood in Winnipeg.

The federal government for the first time refused even to send an observer. This is after 10 years of working together.

I ask the minister why this government has refused to help the poor of Winnipeg. Why has it turned its backs on its partners at this time?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, without accepting the premise of the question, I will certainly undertake to look into the matter and get back to the hon. member as soon as possible.

Mr. David Walker (Winnipeg North Centre): Mr. Speaker, I thank the minister for his response to that question.

In addition, the people of Winnipeg have found themselves in very difficult economic circumstances. At no time in the last five years has this government announced any economic plan to assist the city.

Is it not about time that the minister and the government plan an action and begin to help the people of Winnipeg to revive the economy there?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the Western Diversification Program was not a program that was designed to help only the larger cities.

As a matter of fact I am sure that he would be interested in knowing that over 3,000 specific projects have been funded under the western diversification initiative in excess of $1 billion. Many of those were funded in the province of Manitoba and many of those were funded in rural areas. I think the hon. member would recognize the western diversification initiative's response to initiatives and applications made to it by various entrepreneurs.

I think the record of success is very good. It has been a program that has broadened and expanded the economic base of western Canada. If he would like to have any further information to prove that I would be glad to provide it for him.

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GRAIN TRANSPORTATION

Mr. Rod Murphy (Churchill): Mr. Speaker, my question is for the Minister of State for Transport.

The minister is aware that while most Canadian ports are underutilized, the Canadian Wheat Board is shipping grain through the U.S. port of Seattle. In addition a Wheat Board official has admitted that the Gulf of Mexico ports are being considered for future transportation.

Does the minister not agree that Canadian grain shipped with Canadian taxpayers' dollars should be shipped through Canadian ports providing Canadian jobs?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, as the hon. member knows, the subsidies for grain transportation are for the transportation of grain within the country of Canada and do not apply to shipments going out of Mexico.

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my supplementary question is for the same minister.

The minister will know that the Wheat Board has decided to take 500 grain cars out of the eastern system and reallocate them to the experiment through Seattle, Washington. Yet the port of Thunder Bay, which to this government was so important that it had to legislative the grain handlers back to work, is operating at an under-capacity of 4,000 cars.

Would the minister not agree that it makes more sense to divert those cars back from Seattle, put them in the Canadian system and keep Canadians working?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, the port of Thunder Bay is shipping grain on the routes that they can ship. There are other needs to ship grains out of other ports and the Wheat Board is doing its best to ship the grain for farmers so the farmers get paid.

[*Translation*]

ADMINISTRATION OF JUSTICE

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, my question is for the Solicitor General of Canada.

On the weekend, two RCMP officers were attacked by Mohawks connected to the Kahnawake Warriors and today, the Canadian Security Intelligence Service tells us that this Warrior society has contacts with extremists and is extending its influence in Quebec and Ontario. The minister also knows that these Warriors are involved in conspiracies, crimes and smuggling of all kinds that afflict and discredit the Mohawk people in Canada.

Can the minister tell us what he intends to do now with the help of his provincial counterparts to rid society of these bandits and to restore Canadians' security and the integrity of our justice system?

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, my predecessor and I met Mr. Ryan several times and we had important discussions on maintaining order and enforcing the law among the natives.

As a result, I can assure you that law enforcement efforts have indeed been increased. The RCMP is helping the Quebec Police Force to deal with these issues.

Mrs. Lise Bourgault (Argenteuil—Papineau): Mr. Speaker, the minister is reading an answer written in advance. The reality is quite different. It is not what the minister would have me believe.

My supplementary question is as follows. The minister knows perfectly well that the situation in the Mohawk communities is untenable and that the RCMP, with the help of the Quebec Police Force, must implement a system to act now so that these troublemakers are arrested as soon as possible.

Hon. Doug Lewis (Solicitor General of Canada): Mr. Speaker, when a member submits a question in advance, I prepare an answer.

About that situation, I met with Mr. Ryan several times and I think that we worked so that—

• (1450)

[*English*]

In the long run it will assist in an appropriate conclusion to this unfortunate situation.

* * *

POISONOUS SUBSTANCES

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs.

Lead poisoning is the number one health hazard to children, causing permanent brain damage, loss of intelligence and behavioural problems.

Yet, for 240 days the minister has sat on a report telling the government to make limits on lead and mercury in paint six times stricter, just like in the United States.

When will the government stop stalling, put children first and bring in tough new restrictions on lead and mercury in paint?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, the government has stepped in several times in the past. As soon as we were made aware of problems and especially problems caused by lead additives in paint, we stepped in immediately. We sat down with industries that use lead additives in paint and succeeded in making them change their mixture or the way they were using it. That is the way to go about it. It is much better to convince companies to make the necessary changes themselves.

[*English*]

Mrs. Marlene Catterall (Ottawa West): Mr. Speaker, my supplementary question is for the same minister.

The minister knows that as of January 1 of this year the industry did implement voluntary limits. In fact more than a year ago, in September 1990, the industry asked the minister to ban all lead additives in paint and the minister has not done that.

The industry wants to remain competitive. It wants to be socially responsible. It wants to protect the health of our children.

Why will the minister not co-operate with the industry and do that?

[*Translation*]

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, that is exactly the answer I gave my colleague in the preceding question. As soon as we became aware of the dangers, we sat down with the companies involved and convinced them to comply voluntarily to improve the situation, thereby eliminating through voluntary compliance the use of lead in paint. I think that it's the results that count, Mr. Speaker, and we have acted as rapidly as possible to adress the matter.

* * *

[*English*]

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my question is for the Minister of Finance.

The government speaks of enhancing competitiveness, of increasing productivity and of creating a learning culture. Statistics Canada has just reported that tuition fee increases have been of the magnitude of 184 per cent during the last decade in British Columbia, for example, and 139 per cent in New Brunswick. The average is 120 per cent, thereby increasing the student debt load at an incredible rate.

Will the minister admit that as a result of the cutbacks in financial assistance to colleges and universities his government is in fact well on its way to creating a college and university system for the rich only?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member knows that Canada has the second highest per capita expenditure in the OECD for education.

I think collectively between the federal government, the provincial government, industry and individual Canadians something like $50 billion a year is spent on education.

The fact of the matter is that transfers have not been cut. The transfers to provinces are increasing on an ongoing basis; they still are increasing. Established Programs Financing is increasing now at the rate of more than 3 per cent per year, more than the annualized rate of inflation. Total transfers to the provinces have increased by $12.5 billion since we have come into office.

Clearly it may be a matter of looking at how we can utilize the education system better and get more value for the dollars and the resources that we are providing, rather than just simply saying that we need to spend more money. We do spend, comparatively speaking, the second highest level in the world.

[*Translation*]

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, my supplementary question is for the same minister. At the post-secondary level, we are not in second place. Let me refer to a recent release by the Canadian Institute of Chartered Accountants stating that Japan devotes 200 hours per worker per year to manpower training and Sweden 170 hours per year; and Canada 7 hours only. Why does the government refuse to help Canadian workers?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member would know as well that where Canada's students spend about 180 days a year in the classroom, German students spend about 245, Japanese students over 240. Maybe that is a thing we have to look at as well.

Obviously this is an issue that does not involve laying blame at the doorstep of any one level of government or any one sector in society. It is a matter of dealing with it on a co-operative partnership basis and that is precisely what the prosperity and competitiveness issue is all about.

* * *

[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I have a question for the Minister responsible for Constitutional Affairs. We just heard that Senator Castonguay has resigned as Joint Chairman of the Committee. Does the minister intend to consult the Liberal Party and the New Democratic Party about changes that will now be necessary for the proper conduct of this committee?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I am sure everyone shares the government's feelings of regret that Senator Castonguay, after a conversation with his doctor, has decided that he is no longer able to continue as Joint Chairman and member of the Joint Committee, in view of the committee's schedule in the coming months. The Steering Committee will meet within the next few days, and of course the decision will be made by the committee. In this connection, the government intends to suggest Senator Gérald Beaudoin as Joint Chairman.

* * *

[*English*]

HEALTH

Mr. Stan Wilbee (Delta): Mr. Speaker, my question today is for the Minister of National Health and Welfare. There are over 200 people in the Upper Fraser Valley who have been diagnosed with an illness that has been termed the enviro disease or somatically, chemically induced dysfunction syndrome.

As pointed out by my colleague from Fraser Valley East on Friday, this is a matter of urgent concern to the residents of that area. With allegations of chemicals leaking into the aquifer in the Fraser Valley and a clustering of cases in that area, can the Minister of National Health and Welfare inform the House of the actions that he and his department have undertaken to address this serious problem.

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I have to say first that the officials of the Department of National Health and Welfare have been in touch with the local and provincial health officials since early 1990. After a thorough investigation undertaken by the department, we could not conclude that there was any evidence to show that there was an increase of muscle weakness in the Abbotsford population. However, we are continuing to work with the province and we are prepared to offer all the assistance we can to the province of British Columbia to investigate the issue and determine whether there is any other finding that we have not made so far.

[*Translation*]

CONSTITUTIONAL AFFAIRS

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the Minister responsible for Constitutional Affairs. With reference to his referendum legislation, the minister just repeated that majorities would be calculated by province or by region. However, we all know that in the absence of a veto for Quebec, the consent of seven provinces representing 50 per cent of the population is enough to amend the Constitution. Would the minister agree that in that case, the referendum would allow the federal government to impose its own offers on Quebec, even if Quebec turns them down?

Right Hon. Joe Clark (President of the Privy Council and Minister responsible for Constitutional Affairs): Mr. Speaker, I am not here to respond to the hon. member's assumptions.

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, one of the assumptions made recently by the minister was that he would not use the legislation he will ask the House to adopt, which means more or less that he is going to buy a gun, buy the ammunition, put his finger on the trigger but isn't going to shoot. And on top of that, the government has had some Faustian dealings with the Leader of the Official Opposition.

• (1500)

How can the minister expect Quebecers to trust the intentions of a government that has just made a pact with the author of the 1982 conspiracy?

* * *

[*English*]

CANADA MORTGAGE AND HOUSING CORPORATION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is to the minister responsible for CMHC.

Tomorrow in Vancouver the issue of the restructuring of the Quintette coal mine in northeastern B.C. is back in the courts. To date the federal government has instructed CMHC's mortgage companies to vote against the restructuring and yet the department has refused to release the legal opinion for this position.

Can the minister tell the House the reason for the government's orders and what direction he has given for the hearing tomorrow?

Hon. Elmer M. MacKay (Minister of Public Works): Mr. Speaker, my colleague opposite has got the facts a little bit twisted. I want to inform him that our agency, Canada Mortgage and Housing, has made every effort to co-operate in the restructuring and possible rehabilitation of the Quintette project.

If he wishes to have further details or wishes to be briefed, I would be only too pleased to do so or have my officials co-operate with him.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, according to a memo from Quintette coal, the fact is that CMHC has been holding up this restructuring. It had planned a meeting this past week with the minister and officials to try and find a positive solution to this problem.

I would like to ask the minister again: what instructions has he given for the hearing tomorrow so at least the jobs of the workers in Tumbler Ridge can be protected so they have some kind of future?

Hon. Elmer M. MacKay (Minister of Public Works): As I suspected, my colleague has just conceded he has one side of the story only.

The instruction that I have given to Canada Mortgage and Housing is to be helpful and co-operative. We have already made some suggestions and concessions to facilitate, I am sure, the solution that he would like to see.

* * *

THE ECONOMY

Hon. Alan Redway (Don Valley East): Mr. Speaker, I have a question for the Minister of Finance.

Last week the Governor of the Bank of Canada told the finance committee that the bank takes direction from the Department of Finance on exchange rate matters.

Will the minister advise the House if he and the Department of Finance have now given direction to the Bank of Canada to lower the value of the Canadian dollar and if not, why not?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): The hon. member knows that neither the Government of Canada nor the Bank of Canada has a set target rate for the value of the dollar. The value of the dollar is established in the marketplace and the Bank of Canada intervenes to absorb any erratic fluctuations that may occur from time to time.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, pursuant to section 36(8) of the Standing Orders, I have the honour to table in both official languages the government's response to several petitions.

[*Editor's Note: See today's Votes and Proceedings.*]

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INTERPARLIAMENTARY DELEGATION

CANADA-EUROPE PARLIAMENTARY ASSOCIATION

Mr. Terry Clifford (London—Middlesex): 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 attending the third Strasbourg conference on parliamentary democracy in the annual OECD debate.

Further, I would like the members of this House to know that tomorrow afternoon at 3.30 they have an opportunity to meet the head adviser to the Secretary-General of the OECD who will be paying a visit to the Canada-Europe Parliamentary Association specifically to talk about the OECD and what it can do for Canada's youth and for Canada today. It will be at 3.30 tomorrow in 601.

* * *

CANADIAN NATO PARLIAMENTARY ASSOCIATION

EIGHTH REPORT

Mr. Bob Hicks (Scarborough East): Mr. Speaker, pursuant to Standing Order 34, I have the honour to present to the House, in both official languages, the eighth report of the Canadian NATO Parliamentary Association.

May I add, as my hon. friend from London—Middlesex did to his report, that I would commend this report. It is a very extensive report of the undertakings of the Canadian NATO Parliamentary Association delegation and I would commend this report to all members of the House and all Canadians.

* * *

HOUSE MANAGEMENT

17TH REPORT OF STANDING COMMITTEE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I have the honour to present, in both official languages, the 17th report of the Standing Committee on House Management as per Standing Orders 104 and 114.

If the House gives its consent, I intend to move concurrence in this report later this day.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*Translation*]

PETITIONS

TAX ON BOOKS

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I have two petitions to present to the House of Commons this afternoon, pursuant to the Standing Orders.

[*English*]

The first petition deals with the tax on reading. The petitioners point out that there has never ever been a tax on reading in this country because of the high priority that we have placed on literacy and education over the years. They deplore the fact that this government should do exactly that.

EDUCATION

Mr. Ronald J. Duhamel (St. Boniface): My second petition is with respect to education from Canadians throughout the nation who point out that the government has cut almost a half billion dollars from transfer payments this year. They point out that the government talks rather eloquently at times about enhanced competitiveness, increased productivity, creating a learning culture, and yet it does things like this. They ask the government to bolster its financial support to colleges and universities to remove this deplorable 3 per cent tax on student loans.

CROATIA

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I have four petitions from Canadians across this country which ask the Canadian government to be aware of the fact that 94 per cent of Croatians had voted in April of 1990 in favour of independence.

• (1510)

Right now they are being invaded by an undemocratic army, controlled by the Serbians, and therefore they ask this government to recognize the independence of Croatia.

CANADIAN FORCES BASE CORNWALLIS

Mrs. Coline Campbell (South West Nova): Mr. Speaker, I have the honour of presenting another petition signed by hundreds of people in Annapolis County, Digby County and others who are concerned about the status of Canadian Forces Base Cornwallis. They want to remind the government that Cornwallis has first-rate facilities which could easily accommodate any new duty in addition to recruit training that the Department of National Defence might require.

Included in this would be the proposal that is presently before the people on peacekeeping as well as reserves, militia and anything that this government might want to do to keep the 500 or more civilian jobs and over $64 million in the area.

NORTH THOMPSON RIVER

Mr. Nelson A. Riis (Kamloops): Mr. Speaker, it is my pleasure to present a petition on behalf of a number of constituents from British Columbia, primarily Fort Nelson, who point out their concern with a plan by a Vancouver firm to proceed with a proposal to dam the North Thompson River at Valemount, British Columbia in order to divert some of the river water into the San Diego, California area.

This is part of an over-all diversion plan known as NAWAPA, North America Water and Power Alliance. They are simply asking the Canadian government to state categorically that our freshwater rivers will not be dammed and diverted in whole or in part to the United States under any circumstances.

ROYAL CANADIAN MOUNTED POLICE

Mr. Nelson A. Riis (Kamloops): On another matter, again from constituents from Kamloops, Penticton, Prince George, Cash Creek, Surrey, British Columbia and Nutsburg, B.C., they point out their concern about what they perceive to be an increasing level of lawlessness and the need to have more support than ever for the Royal Canadian Mounted Police to enable it to fulfil its mandate.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, Questions Nos. 128 and 140 will be answered today.

[*Text*]

Question No. 128—**Mrs. Gaffney:**

Between September 27, 1991 and October 1, 1991, how much money did the government spend on newspaper advertisements across Canada which outlined its offer to the Public Service Alliance of Canada?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Treasury Board Secretariat is waiting for an invoice on the cost of advertising the government's wage offer to the Public Service Alliance of Canada. Secretariat officials have been advised, however, that the total cost is expected to be $245,893.

Question No. 140—**Mrs. Gaffney:**

How much money in total did the government spend on newspaper advertisements across Canada which outlined its offer to the Public Service Alliance of Canada (*a*) during the strike and (*b*) once back-to-work legislation was passed?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Treasury Board Secretariat is waiting for an invoice on the cost of advertising the government's wage offer to the Public Service Alliance of Canada. Secretariat officials have been advised, however, that the cost is expected to be $245,893.

Almost all of the advertising took place during the strike. However, a few newspapers carried the ad on the Thursday and Friday after the legislation was passed because it was not possible to cancel it on short notice.

[*Translation*]

Mr. Cooper: Mr. Speaker, I suggest that the other questions stand.

The Acting Speaker (Mr. DeBlois): Shall the other questions stand?

Some hon. members: Agreed.

[*English*]

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, late last week one of my colleagues made a specific request of the parliamentary secretary to the government House leader with regard to Question 138. I wonder if the parliamentary secretary is in a better position today to indicate as to whether those 13 departments are prepared to give their responses before that information can be made available to the House.

Perhaps there has been an update and I am wondering if the parliamentary secretary could so inform the House.

Mr. Cooper: Mr. Speaker, I would like to advise the hon. member that I can update him. We are now down from 13 to eight and I hope I can eliminate those eight outstanding departments very quickly.

* * *

MOTION TO ADJOURN UNDER S. O. 52

FARM INCOME

The Acting Speaker (Mr. DeBlois): Application under Standing Order 52. The hon. member for Mackenzie.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, pursuant to Standing Order 52 I rise to ask for an emergency debate to bring to the government's attention the urgent need for it to fulfil its promises to alleviate the current Canadian farm crisis.

The government knows that at least $1.3 billion is needed to address the farm net income shortfall resulting from the continuing decline in net farm incomes.

Last month it agreed to provide 60 per cent of this minimum requirement in the form of an $800 million aid package.

Farmers already in crisis learned this week that the $800 million commitment was somewhat diluted by being divided into two equal parts, $400 million transferred from the unused allocation for the gulf war and $400 million in the next fiscal year for a new requirement on corporate taxpayers to submit one-half of income tax funds in dispute. The second half of the government's commitment is being postponed until the next fiscal year.

On top of this, last Friday farmers learned that an 11 per cent cut had been made to the funds promised for this year. Only $356.2 million of the $400 million promised was transferred in the supplementary estimates that were tabled on Friday. The government may not fully understand the gravity of the situation facing Canadian farm communities or the critical need for it to provide all the funds promised. Urgent action is required. There is little time for the government to reverse the erosion of its aid package and provide new supplementary estimates.

I submit an emergency debate would provide the most timely and effective means for this House to bring the concerns of Canada's farm communities to the attention of those with the means and the responsibility to address them.

The Acting Speaker (Mr. DeBlois): The hon. member raises a very important question.

[*Translation*]

Unfortunately, his request does not meet the requirements of the Standing Orders and I must rule it out of order.

GOVERNMENT ORDERS

[*English*]

TRUST AND LOAN COMPANIES ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, as reported (with amendments) from the Standing Committee on Finance.

Hon. William C. Winegard (for the Minister of State for Finance) moved:

Motion No. 1.

That Bill C-4 be amended in the French version of Clause 2 by striking out line 14 on page 4 and substituting the following:

"des valeurs mobilières ou encore, de toute".

Motion No. 2.

That Bill C-4 be amended in the French version of Clause 2 by striking out line 27 on page 6 and substituting the following:

"mées ou signée de tous les actionnaires".

Motion No. 3.

That Bill C-4 be amended in the French version of Clause 10 by striking out line 4 on page 13 and substituting the following:

"des droits de votes attachés à l'ensemble des".

Motion No. 4.

That Bill C-4 be amended in the English version of Clause 10 by striking out line 28 on page 14 and substituting the following:

"standing voting shares of the body corporate,".

Motion No. 6.

That Bill C-4 be amended in the French version of Clause 37 by striking out line 32 on page 23 and substituting the following:

"société était obligée, à la date de la".

Motion No. 7.

That Bill C-4 be amended in the French version of Clause 41 by striking out line 11 on page 26 and substituting the following:

"existant ou qui lui est similaire, selon le".

Motion No. 11.

That Bill C-4 be amended in the French version of Clause 68 by striking out line 16 on page 38 and substituting the following:

"l'approbation du surintendant, en biens."

Motion No. 16.

That Bill C-4 be amended in the French version of Clause 124 by striking out line 44 on page 64 and substituting the following:

"ferts ou nantissements de 1a même valeur".

Motion No. 18.

That Bill C-4 be amended in the French version of Clause 167 by striking out line 33 on page 84 and substituting the following:

"société, lors de leur élection à".

Motion No. 19.

That Bill C-4 be amended in the French version of Clause 167 by striking out line 41 on page 84 and substituting the following:

"tive de toutes les actions avec droit de vote de 1a société, à".

Motion No. 21.

That Bill C-4 be amended in the English version of Clause 172 by striking out line 12 on page 88 and substituting the following:

"outstanding, other than directors' qualify-".

Motion No. 22.

That Bill C-4 be amended in the French version of Clause 172 by striking out line 14 on page 88 and substituting the following:

"actionnaires sont".

Motion No. 25.

That Bill C-4 be amended in the French version of Clause 175 by striking out lines 17 and 18 on page 90 and substituting the following:

"pourvoir aux postes encore vacants dans les cas d'application de l' alinéa 174(4)a), soit d'élire un nouveau conseil d'administration dans les cas d'application des paragraphes 174(1) ou (2) ou de l'alinéa 174(4)b)."

Motion No. 27.

That Bill C-4 be amended in the English version of Clause 187 by striking out line 40 on page 94 and substituting the following:

"munications facilities, the business".

Motion No. 32.

That Bill C-4 be amended in the French version of Clause 232:

(a) by striking out lines 35 and 36 on page 115 and substituting the following:

"issue de la fusion seront identiques à l'acte constitutif et aux règlements administratifs de la société mère,";

(b) by striking out lines 15 and 16 on page 116 and substituting the following:

"issue de la fusion seront identiques à l'acte constitutif et aux règlements administratifs de la société fusionnante dont les".

Motion No. 35.

That Bill C-4 be amended in the French version of Clause 241 by striking out line 29 on page 121 and substituting the following:

"l'approbation du ministre sauf en cas d'annu-".

Motion No. 37.

That Bill C-4 be amended in the French version of Clause 266 by striking out line 32 on page 133 and substituting the following:

"dique accessible au public les motifs et les".

Motion No. 39.

That Bill C-4 be amended in the French version of Clause 284 by striking out line 29 on page 146 and substituting the following:

"b) s'il s'agit de 1a première mise en circulation".

Motion No. 40.

That Bill C-4 be amended in the French version of Clause 289 by striking out line 42 on page 149 and substituting the following:

"indirectement, par lui-même,".

Motion No. 41.

That Bill C-4 be amended in the French version of Clause 307 by striking out line 7 on page 157 and substituting the following:

"tions prévues à ces paragraphes;".

Motion No. 44.

That Bill C-4 be amended in the English version of Clause 320 by striking out line 3 on page 164 and substituting the following:

"a company, the company and the firm of".

Motion No. 45.

That Bill C-4 be amended in the French version of Clause 321 by striking out lines 25 to 28 on page 164 and substituting the following:

"nal de déclarer, par ordonnance, que le vérificateur de la société ne remplit plus les conditions prévues à l'article 320 et que son poste est vacant."

Motion No. 46.

That Bill C-4 be amended in the French version of Clause 327 by striking out line 6 on page 167 and substituting the following:

"réponse dans les quinze jours à la demande".

Motion No. 48.

That Bill C-4 be amended in the French version of Clause 330:

(a) by striking out lines 18 to 20 on page 168 and substituting the following:

"surintendant et de lui faire rapport à ce sujet.";

(b) by striking out lines 29 to 30 on page 168 and substituting the following:

"à ce sujet."

Motion No. 51.

That Bill C-4 be amended in the French version of Clause 354 by striking out line 37 on page 178 and substituting the following:

"ou de leurs prédécesseurs:".

Motion No. 52.

That Bill C-4 be amended in the French version of Clause 354 by striking out line 18 on page 179 and substituting the following:

"les fondateurs, en numéraire ou en biens;".

Motion No. 59.

That Bill C-4 be amended in the French version of Clause 416 by striking out line 27 on page 214 and substituting the following:

"d'assurance et de louer ou fournir des".

Motion No. 63.

That Bill C-4 be amended in the English version of Clause 432 by striking out line 11 on page 222 and substituting the following:

"scribed manner and at the prescribed time, to its customers and to the".

Motion No. 64.

That Bill C-4 be amended in the English version of Clause 433:

(a) by striking out line 23 on page 222 and substituting the following:

"manner and at the prescribed time to the customer in whose name the";

(b) by striking out line 34 on page 222 and substituting the following:

"scribed manner and at the prescribed time to the customer in whose".

Motion No. 65.

That Bill C-4 be amended in the French version of Clause 438 by striking out line 6 on page 224 and substituting the following:

"carte de paiement, de crédit ou de débit à une per-".

Motion No. 69.

That Bill C-4 be amended in the French version of Clause 449 by striking out line 1 on page 235 and substituting the following:

"développement, à 1a fabrication et à la vente de matériel".

Motion No. 80.

That Bill C-4 be amended in the English version of Clause 464 by striking out lines 43 and 44 on page 245 and substituting the following:

"acquisition of the interest or the making of the improvement".

Motion No. 81.

That Bill C-4 be amended in the English version of Clause 474 by striking out lines 27 to 29 on page 252 and substituting the following:

"controlled" means "controlled, within the meaning of section 3, determined without regard to paragraph 3(1)(d)".

Motion No. 82.

That Bill C-4 be amended in the French version of Clause 484:

(a) by striking out line 7 on page 259 and substituting the following:

"qu'elle offre au public pourvu qu'elles soient";

(b) by striking out line 10 on page 259 and substituting the following:

"société peut offrir des services financiers, à";

(c) by striking out lines 13 to 15 on page 259 and substituting the following:

"moins de dix-huit ans à des conditions plus favorables que celles qu'elle offre au public si elle offre ces services à ses employés aux mêmes conditions".

Motion No. 83.

That Bill C-4 be amended in the French version of Clause 499 by striking out line 3 on page 267 and substituting the following:

"sauf en ce qui a trait aux alinéas (1)c) ou d),".

Motion No. 84.

That Bill C-4 be amended in the French version of Clause 503 by striking out line 34 on page 268 and substituting the following:

"des institutions financières dans le cadre de celle-ci;".

Motion No. 86.

That Bill C-4 be amended in the French version of Clause 505 by striking out line 26 on page 269 and substituting the following:

"qu'aux titres détenus par elle;".

Motion No. 87.

That Bill C-4 be amended in the French version of Clause 507:

(a) by striking out lines 12 and 13 on page 270 and substituting the following:

"(2) Sous réserve du paragraphe (3), le surintendant ne peut imposer l'obliga-";

(b) by striking out line 21 on page 270 and substituting the following:

"alinéas (1)a) et b) pour une période d'au plus".

Motion No. 89.

That Bill C-4 be amended in the English version of Clause 558 by striking out line 45 on page 291 and substituting the following:

"each company to which the Trust".

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, this is rather an unusual procedure in a sense, but these particular amendments have been grouped by the Speaker because they are an attempt to make sure that the language in the statute, both French and English, reads the same way.

There are a whole series of very small, minor technical changes designed to make the French correspond to the English and the English correspond to the French so that our statute will read the same when people are reading it, whether they read it in English or French.

I do not see much problem with that but perhaps there is. So I suggest that we move ahead.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, as the hon. member has said, these amendments are technical. It is amending the French or English version of certain parts of the bill so that it is clarified in its several cases and that the French and English have the same meaning. Mr. Speaker, we support these amendments.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I looked at these amendments to Bill C-4 and I want to say that it gives me great comfort and it should give anyone outside of Parliament great comfort to know that all the experts do not reside in the Department of Finance or in the Department of Justice.

To think that after all the experts have looked at Bill C-4, previously Bill C-83, and Bill C-19 they missed things. They missed things in translation and they missed certain language wording. We have no difficulty at all with this group of motions. As the member for Mississauga South has said, they are primarily technical in nature. They deal with making language more concise. Therefore, we have no problems with them.

• (1520)

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): I will remind all members that a vote on Motion No. 1 will be applied to the remaining 38 motions.

The vote is on Motion No. 1.

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

Some hon. members: Agreed.

Motion No. 1 agreed to.

The Acting Speaker (Mr. DeBlois): The remaining 38 motions are agreed to.

Motions Nos. 5, 53 and 55, standing in the name of the hon. member for Nickel Belt are grouped for debate.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 5.

That Bill C-4 be amended in Clause 22 by striking out lines 18 to 22 at page 18.

Motion No. 53.

That Bill C-4 be amended in Clause 375 by adding immediately after line 14 at page 189 the following:

"(2) The Minister may approve only the following acquisitions:

(a) the acquisition by a person, or entity controlled by a person, of up to 100 per cent of the shares of a company or an entity that holds any share of a company where the company or entity to be acquired holds assets whose total value is less than ten billion dollars;

(b) the acquisition by a person, or entity controlled by a person, of up to 75 per cent of the shares of a company or an entity that holds any share of a company where the company or entity to be acquired holds assets whose total value is not less than ten billion dollars and not more than twenty billion dollars;

(c) the acquisition by a person, or entity controlled by a person, of up to 50 per cent of the shares of a company or an entity that holds any share of a company where the company or entity to be acquired holds assets whose total value is not less than twenty billion dollars and not more than thirty billion dollars;

(d) the acquisition by a person, or entity controlled by a person, of up to 25 per cent of the shares of a company or an entity that holds any share of a company where the company or entity to be acquired holds assets whose total value is not less than thirty billion dollars and not more than forty billion dollars; or

(e) the acquisition by a person, or entity controlled by a person, of up to 10 per cent of the shares of a company or an entity that holds any share of a company where the company or entity to be acquired holds assets whose total value exceeds forty billion dollars."—Mr. Rodriguez.

Motion No. 55.

That Bill C-4 be amended in Clause 379:

(a) by striking out lines 3 to 7 at page 193 and substituting the following therefor:

"379. (1) Every company acquired in accordance with subsection 375(2) shall, from and after the day determined pursuant to this section in respect of that company, have and continue to have, voting shares that carry

(a) in the case of a company referred to in paragraph 375(2)(b), 25 per cent,

(b) in the case of a company referred to in paragraph 375(2)(c), 50 per cent,

(c) in the case of a company referred to in paragraph 375(2)(d), 75 per cent,

(d) in the case of a company referred to in paragraph 375(2)(e), 90 per cent,

of the voting rights attached";

(b) by striking out lines 21 to 34 at page 193 and substituting the following therefor:

"(2) For a company described in subsection (1) that is or is not a former-Act company, the day referred to in that subsection is the day that is five years after the day this Part comes into force.";

(c) by striking out lines 43 to 47 on page 193 and lines 1 and 2 on page 194.

He said: Mr. Speaker, there are three motions that are grouped here, Nos. 5, 53 and 55. You have read Motion No. 53. No. 53 is very basic to the position of this party with respect to financial institutions.

Throughout the study and the restructuring of financial institutions, we have held as a basic principle that the wide ownership which now applies to banks is the best hedge against the concentration of power. We wanted that to be extended to all other financial institutions. We have been concerned. There are many Canadians, informed Canadians, who are very concerned about upstream, non-financial ownership.

In other words, we are concerned by the Standard Trusts of this world, financial institutions that are owned and controlled by individuals or companies that have nothing to do with financial institutions. In this particular case, Standard Trust, it was an uranium mining company which owned the financial institution. We now know the problems that have been caused by this ownership.

In fact, very informed people such as Mr. Corrigan in the United States, who is very informed on the regulation of financial institutions, has recommended strongly that we ought to keep the commercial and financial operations separate.

We know that in fact the whole matter becomes very involved when you have relationships at the top where decisions for the owning company affect the assets of the financial institution.

We believe that it is the best way to prevent any kind of less than arm's length relationships. We have also provided, in Bill C–5, an amendment which we believe is important in that the government, in the Bank Act, and in Bill C–4 said that governments ought not to establish banks.

The federal government is prohibited from starting a bank. I want to say that this certainly reveals a medieval view of the state. To actually prevent the federal state from starting a bank, it seems to me is to cut out the option of the ownership by people of a banking or a financial institution.

Provincial governments in Canada do own trust and loans companies. Right here on the Sparks Street Mall there is the Ontario government's Provincial Savings and Loans. In Alberta and in other provinces they own savings and loans companies.

Yet we have a federal law which actually forbids the federal government from starting a bank, a financial institution. It was rather interesting when I raised this matter in the committee. I pointed out that it seemed to me rather medieval that the federal government would not be allowed to own a bank.

The representative from the finance department told me in the committee that one of the problems with the federal government owning a bank is that it would not be widely held. It would not be widely held?

If you think, Mr. Speaker, that it would not be widely held, suggesting that the ownership by the people of Canada of a bank—it is not a widely held bank—it seems to me is kind of out of this world.

I have problems with that and that is why I have proposed an amendment to the act to allow the Government of Canada, if at any time it decides that it wanted to start a bank, that it could do so. I have no problem with that at all.

• (1530)

Motion No. 55 is really consistent with Motion No. 53, which was the sliding scale of ownership. I did not pull that out of a hat. That was the recommendation of the finance committee of this House when the member for Mississauga South was chairman. It was a green paper recommendation. It was a recommendation stating that if Canada Trust wanted to grow and become a bank, when its assets reach $40 billion it could become a bank but it had to observe the wide ownership provision of banks.

My motion simply takes that sliding scale and applies it. At that time the finance committee felt that was the solution, that was the way to go. Apparently the players in the field do not like that solution. Since Bill C–4 and all the others that go with it, Bill C–19, Bill C–28 and Bill C–34, are inter–related, I have been told that this is a done deal. I have been told that in fact it does not matter what members of Parliament think is important for the ownership of financial institutions in this country; what is more important is what the financial institutions themselves think.

An hon. member: Who is running the show?

Mr. Rodriguez: The member asks: "Who is running the show?"

An hon. member: The banks write the Bank Act. That is why.

Mr. Rodriguez: That is right. The member for Mississauga South was famous for saying in the committee: "Look, guys, you don't need to spend a lot of time on this thing, you know. This is a done deal so there is nothing you can change here. You have to accept it".

An hon. member: Blenkie did not say that, did he?

Mr. Rodriguez: He certainly did, he certainly did. He is a person, I have always said, who was an individual thinker. It did not matter what his government said on the other side. If the member for Mississauga South thought it was wrong and another proposal was the right thing, he would stand up and say so. What a pussycat he has turned out to be, I want to tell you, Mr. Speaker. I want to know who is pulling his chain. He goes to speak at the insurance companies' dinners and he gets the line from them. Then he goes over and hob–nobs with the bankers.

An hon. member: He is going to the Bank of Nova Scotia with Wilson.

Mr. Rodriguez: The question that occurs to my mind is: Is he headed for the Bank of Nova Scotia as well? I do not know. President and chief operating officer of the Royal Bank, for a royalist that is the place to go.

We raise these concerns about the wide ownership. Wide ownership of financial institutions is the best regulatory control we can have. The reason is that the ownership is not concentrated. We wanted to make sure that that wide ownership also applied where families were concerned.

For example, we can have a father owning 10 per cent of the Canadian Imperial Bank of Commerce and his 21-year old son could own 10 per cent. They say that is fine as long as they do not collaborate. What if they live in the same house? It is fine as long as they do not collaborate, whatever that means, as long as they do not talk about financial matters. We had Sinc Stevens in this House at one time. He was a minister. His wife was his blind trust. I know love is blind, but I want to tell the House that wide ownership of financial institutions is very important. We have injected that into this bill with Motions Nos. 53 and 55. Motion No. 5 allows the Government of Canada to establish a bank.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I rise to speak on Motions Nos. 5, 53 and 55.

Motion No. 5 is an amendment restricting federally incorporated trust companies. I have to say that in committee we had over 100 witnesses for this financial institution legislation. I did not hear one witness request this. We did not have any requests from a provincial government or from consumer groups. In other words, nobody stepped forward and argued in favour of such a provision.

In the absence of any public demand or anyone asking for this amendment, I will be voting against it.

Furthermore, if a provincial government wants to get into the financial service sector it can start a provincial trust company as they have done in Ontario and Alberta.

Finally, there is another point that I want to make. Allowing a province to own a federal financial institution that would be regulated by Ottawa could cause some very serious problems in the federal-provincial relationship.

For those reasons, I will be voting against Motion No. 5.

Motions No. 53 and 55 have been proposed by the New Democratic Party. The member has mentioned that he has put this forward because he is concerned that relations at the top may affect the assets of financial institutions.

I think the improved legislation that we have before us today deals with and addresses the concerns that the member has about self-dealing. This legislation, C-4, contains the 35 per cent rule for companies. That means that 35 per cent of the trust company has to be publicly owned if it has over $750 million in capital. There is a ban on self-dealing. There are audit committees. There are conduct review committees. These are some of the measures that are in this legislation to eliminate self-dealing.

I feel the concerns are taken care of in C-4. The Superintendent of Financial Institutions and the chairman of the Canada Deposit Insurance Corporation are two people who are extremely knowledgeable in this area and have indicated that this amendment is not necessary.

In Canada we have a mixed regime of closely held and widely held financial institutions. I think that mix has served us well over the years. The Canadian government has not had to spend one dollar bailing out uninsured depositors of a closely held financial institution.

On the contrary, Ottawa spent $1 billion as a result of the failure of the widely held Canada Commercial Bank. I repeat that there is really no evidence to show that one form of ownership is better than another.

A final point I want to make is that it allows smaller companies to be closely held but it requires them, as they get larger, to become more widely held. If you look back in history it is mainly the smaller companies trying to break into the market that fail and not the large ones.

If you have a concern about self-dealing and shady practices and you look back at history, the amendment really should be reversed to protect the small companies that need it the most.

• (1540)

We will vote against these amendments for reasons that I have outlined.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I am a bit surprised that these amendments are grouped because the first amendment does not bear on amendments 53 and 55. They are grouped by the Speaker so we will deal with them that way.

First, with respect to Motion No. 5, there is some misunderstanding by my friend from Nickel Belt. The situation is that a provincial government can incorporate a provincial trust company to operate within the province. Presumably, that company can make arrangements to be a commercial operation in other provinces by arrangements with those provinces. They have their own inspection system. This is not to control provincial governments. Surely we cannot expect the provincial government to incorporate a trust company under the provisions of the federal loan and trust act.

If people in the province want to incorporate a trust company federally they can under this statute or they can go to their province and incorporate a provincial trust company. We cannot have a situation where the provincial Crown is making itself subject to the Superintendent of Financial Institutions on a national basis. In that regard, we run into all sorts of problems.

This amendment has to be rethought. As far as the federal government is concerned, of course it can incorporate banks if it wants to have banks. The federal government incorporated the Bank of Canada and the FBDB for small business loans. It can incorporate federal institutions to handle banking arrangements, but those banks owned by the federal government would not be subject to this particular Trust Companies Act. This act is designed to handle and regulate businesses owned by the private sector. It is not designed in any way to be involved with state ownerships. I believe that the amendment is ill-founded.

With respect to Motions Nos. 53 and 55, my friend has brought up a provision that was touted by the Standing Committee on Finance in its report of November 1985. That was a very well reasoned report which was used as a basis for argument as to how we as a country would solve the conflict between wide ownership that was said to be "the be all and end all" of all kinds of supervisory problems by such people as the Governor of the Bank of Canada and the chairman of the Canadian Bankers Association. That was the position taken by the Bank of Nova Scotia as my friend knows, having had a lot of experience with that bank as a banker. That was not necessarily the position taken by others. When the matter of financial institutions was reported in the green paper report by the Senate, they came out with a different regime. They came out with a regime which is similar to that now in the legislation and that was the 35 per cent market openness regime.

When a company gets $750,000 in paid-in capital or surplus, it has grown to the point where it ought to be widely held. Once 65 per cent of the corporation is narrowly held, 35 per cent must be raised in the marketplace.

It has been reasonably well considered by the banking institutions in the country, by the trust companies and by people in the insurance field. While I may have had, as chairman of the finance committee making a report in 1985, a feeling that perhaps a graduated system of ownership that applied to foreign corporations as well as domestic corporations would have been an excellent solution, in the wisdom of time and in the course of debate around the country, because this matter has been debated in one forum after another, whether it has been a private group of people in financial institutions getting together and having a seminar on the issue, or however, it has been debated and debated and debated, and what we have here is a solution that I think is reasonably acceptable.

My friend raised the Standard Trust Company, but the Standard Trust Company at no time ever had anything close to $750 million of paid-in capital. If it had $750 million in paid-in capital, it would never have failed. The trouble was that the Standard Trust Company was a pretty small trust company. It failed because it did not have the capital wherewithal to get it together. Perhaps my friend will say: "Well you should have wide ownership", but I want to point out to this House that most institutions that are now widely held. institutions like the Canadian Imperial Bank of Commerce and the Royal Bank, were at one time fairly narrowly held. The Bank of

Montreal, very narrowly held. What we have here is a situation in our country where the big widely-held organizations are today widely held, but at one time were not.

I believe, and I believe the people who have looked at this whole matter across this country believe, that the current proposals that are in the bill that require wide ownership after you pass the $750 million paid-in capital threshold is the best proposal that could come forward at this time.

Mr. Derek Blackburn (Brant): Mr. Speaker, I rise to say a few words in support of Motion No. 5, specifically clause 22 of Bill C-4.

This amendment would remove the prohibition in the bill against the incorporation of a company by Her Majesty in right of Canada or in right of a province or an agency thereof.

In this country we seem to be almost horrified at the prospect of the government being in the commercial banking business. There seems to be a widely-held view, particularly on the political right, that governments cannot in any way efficiently operate a banking system, or at least a bank.

I do not know how this has come about. I do not know whether it is influenced from the United States or whether it is our own ingrown thinking processes. But one only has to take a look at, for example, banks in France or Germany or Italy, not all of which are state-owned or nationalized. Certainly in France, for example, many of which were just recently nationalized, not under a socialist government. It was begun even before Francois Mitterrand became president. But, nonetheless, they were nationalized. As far as I know, and I admit I am not an expert in the field of banking, the French economy is not on the skids because the major banks in that country are state-owned. That is not the reason why the French economy may be on the verge of a recession today, for example. There are many other reasons.

In Canada we do have at the federal level the Federal Business Development Bank. It is called a bank but it is really only a half-bank or a near-bank or a watered-down kind of bank, because it is not allowed to receive deposits and it is not allowed to enter into many other activities that the chartered banks enter into in their daily course of business.

Originally the FBDB, which was set up in the mid-1970s, was a bank to extend credit where primarily the private banks or the chartered banks were afraid to go. They did not want to take on unnecessarily high risks so the FBDB was there if you had certain assets or, if it had some faith in the borrower, it could charge a higher interest rate and it would lend money. I think it has to be in excess of $250,000, which is unfortunate. We all have constituents in this country who come to us from time to time wanting to start a small business. But the commercial banks or the chartered banks refuse to extend small loans to them in the amount of maybe $50,000 or $75,000. We send our constituents to the FBDB and they are told they can lend them nothing less than $200,000 or $250,000. Of course, for an entrepreneur just starting out with very limited assets and capital, that amount of money is horrendous in his or her imagination and planning. Then they come back to the Member of Parliament and say: "Well, thanks very much but I was turned down, not because I asked for too much but because I asked for too little", or perhaps for some other reasons.

• (1550)

I do not know why, in a bill such as C-4, we should deliberately prevent the Government of Canada, or any subsequent Government of Canada, from going into the commercial banking business. I do not know what the reason is. Is there tremendous opposition from the chartered banks at the present time, and they want it both ways? They do not want the Canadian government to be in the banking business. They want to control it, but they also want to make absolutely certain that some of these riskier individuals are not allowed to borrow small sums of money for business ventures.

I do not know what their motives are. I have not talked to the banks or any bankers recently about this. It seems to me that the FBDB as it is presently chartered is damned if it does or damned if it does not. For example, if the FBDB makes good loans, the Canadian Banking Association will accuse it of straying away from its mandate as the lender of last resort and steal the business in the process from the private banks. They will also claim that the bank is an unfair competitor because of its cut rate loans, if the loans are made at lower than commercial rates. Incidentally, this is a claim that is unfounded at the present time.

The FBDB is only an unfair competitor to loan sharks because it has been systematically lending at rates varying from 1 per cent to 3 per cent above normal rates. That is one need that the FBDB may fulfil at the present time. But I would like to see the federal government, through this bill, have the opportunity at some future date, if not at the present time, to revamp the FBDB to make it a national bank, a government bank, competing with the private banks. Perhaps it could keep the private banks or the commercial banks or the chartered banks just a little more honest. Maybe it could make them a little more competitive. I do not know today whether or not the banks are competitive. You go to four banks on four different street corners and you are going to get virtually the same interest rates on deposits and moneys borrowed. I do not see where the competition is, quite frankly. I do not know where the choice is. You talk about freedom of choice in this country as part of the right wing agenda. I do not know where the choice is in interest rates, quite frankly. They are minuscule, if they are there at all.

What I would like to see is a bank that goes where no other banks have gone before: in the small loans field, where we are at least willing to take a risk. We have a government that wants to promote small enterprise, small entrepreneurship in this country, and yet these days every conceivable obstacle is put in the way of people going into business. We have very high bank rates. We have banks that demand that you have so much collateral to begin with so they can grab it if you go down. They want collateral to the point where if a business did have that collateral, it would not have to go to the bank in the first place to borrow the money. It is this kind of ridiculous situation that I think we have to try to reform and change.

I am supporting this amendment under Motion No. 5. I hope that the government will come to its senses and at least make provision for this government or subsequent governments to expand public banking in this country.

I see nothing wrong with this kind of banking, for example, as I said at the outset, in countries like France, Germany and Italy. I do not know why we should be so special in this country to be so fearful of government owned banks, one government owned bank in this country that would act as a true competitor to the chartered banks.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I would like to add a few words of support to this particular amendment that would make it possible for a government to go into the banking business. It is certainly not any great skill and it would not mean that every government would have to do it.

I can recall when the New Democrats were the government in the province of British Columbia. We felt the need to have some bank that represented British Columbia and we did not feel that the existing banks were doing it in the way we wanted it done, but it was totally impossible under the legislation as it now exists. This amendment would make it possible. At one point, we were considering the possibility of acquiring a bank that was for sale in the United States and moving its head office to a point just immediately south of the 49th parallel so that it would still be in the States, but at least it would be a bank identified as one that was serving the interests, as we saw them, of the people of British Columbia.

Of late, there has been a lot of criticism of the banks, for example, for having almost a common interest rate when it comes to credit card dealing. If a bank, under the ownership of the provincial government, wanted to be the leader in setting those rates at what the government thought was a more reasonable rate, then that could be done. With that kind of competition I suggest it would not be long before the other banks would see the need to follow suit lest this way of handling things spread across the country.

It would not be totally new. The previous speaker talked about the Federal Business Development Bank which is in the banking business to some extent but is not able to take advantage of the many opportunities that are there for banks to cover the costs of making loans that are sometimes a little riskier than others.

The federal government used to be in it in a way too when we had the post office savings accounts. I think, Mr. Speaker, you will remember when that was a feature of life here in Canada, when people could go to the post office and do a good deal of their banking through the post office accounts such as making savings, but there were certainly limits as to what they could do. They were anything but full banks, but at least the government did set up that possibility. Post offices in those days, before Canada Post took over, were in many small communities throughout the country where banks were not available and it was not convenient for people to get to them.

We are not saying that a government would have to do it. We are not saying that the federal government would have to do it or that any provincial or territorial government would have to get into this business. If any government felt the need to do it, it could use that perhaps as a way of persuading the existing banks to do something differently or could even establish a provincially owned bank or purchase a bank to get into the banking business on a relatively modest scale. It would at least show to the banking industry how the government felt it should be operating in a way of providing a better service to the people of the community, to the people of the provinces and to the people of the country than it was already doing.

It is just making it possible, without breaking the legislation, without circumventing it, as we were thinking of doing in buying a bank outside of the country and moving it close to the border of British Columbia. There would be no need then to adopt this subterfuge, this way of achieving what we wanted to achieve on behalf of the people of British Columbia.

We had investors ready to make substantial deposits in it. It was our plan at the time to get involved a lot more in housing loans, to encourage home construction. A lot of homes need building in British Columbia. I suppose it is the one bright spot in the economy of B.C. right now. British Columbia is one of the leaders in the country largely, I believe, due to the fact that we are doing a lot of residential construction to accommodate the people who are fleeing to B.C. from many other parts of the country. Retiring, I think, more than fleeing.

It gives the governments the opportunity to do this and to act on behalf of the people.

• (1600)

If the people do not like what the government is doing, they will have the opportunity one, two, three or five years down the road to show that government what they think about what it is doing and get rid of it. They have the final say and they have the opportunity to change the government and to even stop the government from embarking on such plans and bringing it to fruition if it has not gone that far, or getting out of that business if the people of the province or of the country think it is not in the interests of the people.

I support this amendment.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I too wish to speak in favour of the amendments in front of us today.

First, one of the amendments relates to the ability of the federal government to enter into the banking business. In the Bank Act there is a prohibition against the federal government entering into the banking business, meaning the federal government is not allowed to become a deposit taking institution.

We do have the Federal Business Development Bank, but that is not a deposit taking institution. We have seen that institution, which can and should be helpful, particularly to small businesses, not being very active at all. The few small business people I have talked to who have had some experience with this institution do not speak very highly of it. To become embroiled with it very often means to become embroiled with a whole slew of bureaucrats and it is not really fulfilling its mandate, which is to help the small business community and to help those businesses particularly where commercial banks have not been all that helpful.

We hear small business people when they make their presentations to Parliament and to the finance committee continually complaining about the type of treatment they get from commercial banks. Certainly if we had an effective bank that was in direct competition with the commercial banks I think there would be much better treatment by our commercial banks to the small business people, particularly those who are trying to start a business.

The other amendment we are dealing with and that is grouped together refers to the sliding scale in terms of ownership and size.

I remember when I was on the finance committee and we tackled this one back in 1985 or 1986. There was the request of the trusts to be treated equally with the banks, but we had to tackle the question of ownership. One person or institution cannot own more than 10 per cent. That is not the case with the trusts.

At that time it seemed to make some sense to us to have ownership based on a sliding scale. The argument, for example, of a small trust company in Nova Scotia that was a sort of family run business requiring a new set of ownership rules that would prevent the family from owning 50, 60, 80 or 90 per cent of the trust, and if that trust were to become like a bank, to only allow that person 10 per cent ownership, did not make much sense to us and I think rightly so.

If memory serves me right, I thought the finance committee was in agreement with that. If it is a small trust, then you allow one person to own 100 per cent, or whatever. If the trust got bigger and bigger you would require that the ownership be more widely distributed so that if the trust got to a certain level—I do not remember the figures off hand but we are talking about the concept—and wanted to be treated like a bank, then it also had to comply with the regulations that no one individual or institution can own more than 10 per cent of that trust.

There were reasons why banks were restricted in terms of the ownership to no more than 10 per cent to an individual or to a particular institution. The reason is that no one family or person or company can control a bank and manipulate through total ownership its functioning for their own business interest.

That is why philosophically we are opposed to the linkage of commercial interests with the financial deposit taking institutions.

Again, the fundamental reason was the protection of the public interest. This is fundamental. Every amendment that we are introducing to this act is based on the basic premise of public interest. We heard our critic, the member of the New Democratic Party for Nickel Belt, this morning read into the record the comment of my comrade and former chairman of the finance committee, the hon. member from Mississauga, who in his sometimes flippant but very honest manner described the situation as "a done deal".

All the co-ops, all the banks, all the life insurance companies and all the trusts sat down and made the deal. When he read that, the question that came to my mind was: who was representing the public interest in this deal making? Who sat at that table and said: "Hold it a moment. This and this from a public interest point of view does not make sense?"

I am afraid when we see this particular government introducing changes to our financial institutions that are so fundamental. We know it is of the same political stripe of the presidencies of Mr. Reagan and Mr. Bush. We have seen the public interest being degraded south of the border. I am afraid we are seeing the public interest being degraded here north of the border.

Where is the public interest? Who is there to protect depositors, the public? I am not saying this to be melodramatic but who is there to protect the widow and her life savings or the young working families that have put their life savings in deposits in these financial institutions? They are trusting that these are solid institutions, and that when they retire so many years later these institutions will still be around and their savings and their deposits will be well managed in their interest. They trust their deposits will not be managed in the interest of some financial or commercial organization, but in their interest.

That is fundamental. If you break the public trust in our financial institutions, forget about the financial institutions. We are back to the primitive days when people were putting gold underneath their mattresses.

I am afraid that with some of the proposals contained in this legislation, even though I am sure the life insurance companies, the banks and the trusts are going to be very happy, in the long run they will undermine the public trust in those institutions and therefore work in the end against the interest of those very same financial institutions.

Again I repeat if the public trust is no longer in those financial institutions, then those financial institutions will be the first to suffer. We saw in the 1980s major falls of trust companies in this country. We have seen major deposit taking institutions south of the border totally being wiped out.

They say it is going to cost up to $1 trillion in the United States to bail out the savings and loans. That is taxpayers' money. Talk about deficits. That is taxpayers' money. Where was the public interest? Who was there to protect the public interest when that occurred? Obviously, they were not there. They were asleep at the switch.

I am afraid, with some of the proposals in this legislation, we are opening ourselves up to those same types of mistakes.

In discussing further amendments, I will reiterate many of these points and elaborate on them as well.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 5.

• (1610)

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Pursuant to Standing Order 76(8), the recorded division on the motion stands deferred.

The next question is on Motion No. 53. The vote on motion No. 53 will apply to motion No. 55.

Is it the pleasure of the House to adopt Motion No. 53?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Pursuant to Standing Order 76(8) the recorded division of the motion stands deferred.

[*Translation*]

Motions Nos. 8, 9, 10, 12, 13, 14, 15, 17, 23, 26, 31, 33, 34, 36, 42, 43, 49, 50, 54, 56, 57, 61, 62, 66, 66A, 67, 70, 71, 72, 73, 74, 75, 76, 77, 79, 81A, 85, 88 and 90 are grouped together for the purposes of debate.

[*English*]

Mr. Blenkarn: On a point of order, Mr. Speaker. I think if you were to inquire there would be unanimous consent to remove from that list motion No. 57. I believe there is an agreement to alter that motion slightly and I am told by my hon. friend from Nickel Belt that he would like to speak separately on that issue.

I think it would be in the interests of expediting the proceedings to leave motion No. 57 out of the list as a result of our further discussions.

The Acting Speaker (Mr. DeBlois): Members have heard the suggestion of the hon. member for Mississauga South. Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): It is agreed.

[*Translation*]

As with the first group of motions, since all these motions stand in the name of the Minister of State for Finance, I would suggest that I not read them out. Is it agreed?

Some hon. members: Agreed.

Hon. Monique Landry (for the Minister of State (Finance)) moved:

Motion No. 8.

That Bill C-4 be amended in Clause 44:

(a) by striking out line 10 on page 27 and substituting the following:

"(3) Subject to subsection (4) and section 260, a company may";

(b) by adding, immediately after line 12 on page 27, the following:

"(4) Where a company is carrying on business under or identifying itself by a name other than its corporate name, the Minister may, by order, direct the company not to use that other name if the Minister is of the opinion that that other name is a name referred to in any of paragraphs 41(a) to (e)."

Motion No. 9.

That Bill C-4 be amended in Clause 48:

(a) by striking out lines 16 to 24 on page 28 and substituting the following:

"(a) a subsidiary of,
(b) an entity that controls, determined without regard to paragraph 3(1)(d),
(c) a financial institution that is affiliated, within the meaning of subsection 6(2), with, or
(d) an entity, other than an entity that is a financial institution, that is in existence on the day on which this section comes into force and that on that day is affiliated with,
a company that is a trust company within the meaning of subsection 57(2) may, with the";

(b) by striking out lines 28 to 33 on page 28 and substituting the following:

"(2) Notwithstanding subsection 47(2),
(a) a subsidiary of,
(b) an entity that controls determined without regard to paragraph 3(1)(d),
(c) a financial institution that is affiliated, within the meaning of subsection 6(2), with, or
(d) an entity, other than an entity that is a financial institution, that is in existence on the day on which this section comes into force and that on that day is affiliated with,
a company may,".

Motion No. 10.

That Bill C-4 be amended in Clause 62 by striking out line 31 on page 35 and substituting the following:

"company under this Act, other than a voting right, was stated or".

Motion No. 12.

That Bill C-4 be amended in Clause 68 by striking out line 35 on page 38 and substituting the following:

"provide that any aspect of the shares relating to money or involving the payment of or the liability to pay money be in a".

Motion No. 13.

That Bill C-4 be amended in Clause 71 by striking out lines 12 and 13 on page 40 and substituting the following:

"shares of a class to be issued

(a) for a consideration other than money;

(b) as a share dividend; or

(c) pursuant to the exercise of conversion privileges, options or rights previously granted by the company."

Motion No. 14.

That Bill C-4 be amended in Clause 82 by striking out lines 44 and 45 on page 45 and substituting the following:

"section (4), the directors of a company may declare and a company may pay a dividend in money or property, and where a dividend is to be paid in money, the dividend may be paid in a currency other than the currency of Canada."

Motion No. 15.

That Bill C-4 be amended in Clause 83:

(a) by striking out line 18 on page 46 and substituting the following:

"indebtedness is fully paid for in money or, with the approval of the Superintendent, in property.";

(b) by striking out lines 28 to 30 on page 46 and substituting the following:

"ness, a company may provide that any aspect of the subordinated indebtedness relating to money or involving the payment of or the liability to pay money in relation thereto be in a currency other than that of Canada includinq, without restricting the generality of the foregoing, the payment of any interest thereon."

Motion No. 17.

That Bill C-4 be amended in Clause 161 by striking out line 31 on page 82 and substituting the following:

"plaints as required by subsection 441(1);".

Motion No. 23.

That Bill C-4 be amended in Clause 174 by striking out lines 5 to 10 on page 89 and substituting the following:

"(2) If, after any purported election or appointment of directors, the composition of the board of directors would fail to comply with subsection 167(1), then, unless the directors within 45 days after the discovery of the non-compliance develop a".

Motion No. 26.

That Bill C-4 be amended in Clause 187 by striking out lines 28 and 29 on page 94 and substituting the following:

"(b) in the case of any other company, a majority".

Motion No. 31.

That Bill C-4 be amended in Clause 205:

(a) by striking out line 5 on page 102 and substituting the following:

"205. (1) An act of a director or an officer of a";

(b) by adding, immediately after line 9 on page 102, the following:

"(2) An act of the board of directors of a company is valid notwithstanding a defect in the composition of the board or an irregularity in the election of the board or in the appointment of a member of the board."

Motion No. 33.

That Bill C-4 be amended in Clause 238 by striking out lines 39 to 41 on page 120 and substituting the following:

"238. A sale agreement shall be submitted to the Minister prior to the sending of the sale agreement".

Motion No. 34.

That Bill C–4 be amended in Clause 239 by striking out line 45 on page 120 and substituting the following:

"pany shall submit a sale agreement".

Motion No. 36.

That Bill C–4 be amended in Clause 243 by striking out lines 1 and 2 on page 123 and substituting the following:

"(c) the information referred to in paraqraphs 499(1)(a), (c) and (e) to (h) contained in all returns provided to the Superintendent pursuant to section 499;".

Motion No. 42.

That Bill C–4 be amended in Clause 315 by striking out line 12 on page 161 and substituting the following:

"ers of a company and their personal representatives may, on".

Motion No. 43.

That Bill C–4 be amended in Clause 320 by striking out line 46 on page 163 and substituting the following:

"appointment as auditor of the company, other than an affiliate that is a subsidiary of the company acquired pursuant to section 457 or through a realization of security pursuant to section 458."

Motion No. 49.

That Bill C–4 be amended in Clause 331 by striking out line 5 on page 169 and substituting the following:

"tion (1), the auditor shall state whether,".

Motion No. 50.

That Bill C–4 be amended in Clause 334 by adding, immediately after line 47 on page 170, the following:

"(3) Subsection (1) does not apply in respect of any particular subsidiary where the company, after having consulted its auditor, is of the opinion that the total assets of the subsidiary are not a material part of the total assets of the company."— The Minister of State (Finance).

Motion No. 54.

That Bill C–4 be amended in Clause 375 by striking out lines 3 to 5 on page 190 and substituting the following:

"and section 376 any class of non–voting shares of a company that does not amount to more than 10 per cent".

Motion No. 56.

That Bill C–4 be amended in Clause 409 by striking out lines 9 to 11 on page 212 and substituting the following:

"liquidator or sequestrator;

(c) provide investment counselling services and portfolio management services; and

(d) issue payment, credit or charge cards and, in cooperation with others including other financial institutions, operate a payment, credit or charge card plan."

Motion No. 61.

That Bill C–4 be amended in Clause 419:

(a) by striking out line 1 on page 216 and substituting the following:

"419. (1) Subject to subsection (3), a company shall not create a";

(b) by adding, immediately after line 15 on page 216, the following:

"(3) Subsection (1) does not apply in respect of security interests created on

(a) such classes of personal property as the superintendent may, by order, designate; or

(b) property having an aggregate value that is less than such amount as the superintendent may, by order, specify."

Motion No. 62.

That Bill C–4 be amended in Clause 424 by adding, immediately after line 36 on page 219, the following:

"(6) This section shall not apply until the day that is eight years after the day on which this section comes into force."

Motion No. 66.

That Bill C–4 be amended in Clause 443 by striking out line 26 on page 226 and substituting the following:

"mum credit balance with the company."

Motion No. 66A.

That Bill C–4 be amended in Clause 443 by striking out lines 38 and 39 on page 226 and substituting the following:

"Bank of Canada, in a company or in any other deposit– taking Canadian financial institution incorporated by or under an Act of Parliament;"

Motion No. 67.

That Bill C–4 be amended in Clause 443 by striking out line 8 on page 227 and substituting the following:

"(5) Nothing in subsection (4) precludes".

Motion No. 70.

That Bill C–4 be amended in Clause 449:

(a) by striking out line 6 on page 235 and substituting the following:

"holding, managing or otherwise dealing with real";

(b) by striking out line 16 on page 235 and substituting the following:

"engaged in holding, managing or otherwise dealing".

Motion No. 71.

That Bill C–4 be amended in Clause 449 by striking out lines 25 to 35 on page 235 and substituting the following:

"pany, means a body corporate that engages exclusively in the provision of services to any or all of the following, namely,

(a) the company,

(b) any entity in which the company has a substantial investment,

(c) any financial institution that is affiliated with the company,

(d) any entity in which a financial institution referred to in paragraph (c) has a substantial investment,

(e) any other Canadian financial institution incorporated or formed by or under an Act of Parliament that has a substantial investment in the body corporate,

(f) any entity in which any Canadian financial institution referred to in paragraph (e) has a substantial investment,

(g) any financial institution that is affiliated with any Canadian financial institution referred to in paragraph (e), and

(h) any entity in which a financial institution referred to in paragraph (g) has a substantial investment,
so long as the body corporate is providing services to the company or any of the entities referred to in paragraphs (b) to (d);".

Motion No. 72.

That Bill C-4 be amended in Clause 449 by striking out lines 29 to 34 on page 236 and substituting the following:

"(b) the holding of a security interest in real property, unless the security interest is prescribed pursuant to paragraph 465(a) to be an interest in real property; or

(c) the holding of a security interest in securities of an entity."

Motion No. 73.

That Bill C-4 be amended in Clause 453 by striking out lines 3 to 13 on page 239 and substituting the following:

"(1) (b), (c), (k) and (l),

(i) the company controls the body corporate or would thereby acquire control of the body corporate, or

(ii) the company is permitted by regulations made pursuant to paragraph 459(a) to acquire or increase the substantial investment; and

(b) the company obtains the prior written approval of the Minister on the recommendation of the Superintendent in the case of

(i) a body corporate that is a financial institution or that carries on one or more of the businesses or activities engaged in or carried on by bodies corporate referred to in any of paragraphs (1)(d), (k) and (m), or

(ii) a body corporate that carries on one or more of the businesses or activities engaged in or carried on by bodies corporate referred to in paragraph (1)(b), (c) or (l) where the company is permitted by regulations made pursuant to paragraph 459(a) to acquire or increase the substantial investment."

Motion No. 74.

That Bill C-4 be amended in Clause 453 by striking out lines 27 to 29 on page 239 and substituting the following:

"(4), "control" means "control within the meaning of section 3, determined without regard to paragraph 3(1)(d)"."

Motion No. 75.

That Bill C-4 be amended in Clause 453 by adding, immediately after line 29 on page 239, the following:

"(6) Where a company controls a body corporate referred to in paragraph (3)(a), the company may only divest itself of shares of the body corporate in such number that the result would be that the company would no longer control the body corporate but would have a substantial investment in the body corporate

(a) if the company is permitted to do so by regulations made pursuant to paragraph 459(b), and

(b) with the prior written approval of the Minister on the advice of the superintendent."

Motion No. 76.

That Bill C-4 be amended in Clause 457 by adding, immediately after line 12 on page 243, the following:

"(4) Notwithstanding anything in this Part, where a company has made a loan to, or holds a debt obligation of, the government of a foreign country or an entity controlled by the government of a foreign country and, pursuant to the terms of the agreement between the company and that government or the entity, as the case may be, and any other documents governing the terms of the loan or debt obligation, a default has occurred, the company may acquire all or any of the shares of, or ownership interests in, that entity, or in any other entity designated by that government, if the acquisition is part of a debt restructuring program of that government.

(5) Where a company acquires any shares or ownership interests, pursuant to subsection (4), the company, on such terms and conditions as the Superintendent considers appropriate, may hold those shares or ownership interests for an indeterminate period or for such other period as the Superintendent may specify."

Motion No. 77.

That Bill C-4 be amended in Clause 459 by striking out lines 14 to 19 on page 244 and substituting the following:

"regulations

(a) permitting the acquisition or increase of substantial investments for the purposes of subsection 453(3);

(b) permitting a company to divest itself of shares for the purposes of subsection 453(6); and

(c) restricting the ownership by a company of shares of a body corporate or of interests in a real property holding vehicle pursuant to sections 453 to 458 and imposing terms and conditions applicable to companies that own such shares or interests."

Motion No. 79.

That Bill C-4 be amended in Clause 460:

(a) by striking out line 20 on page 244 and substituting the following:

"460. (1) Subject to subsection (3), the value of all loans, invest-";

(b) by adding, immediately after line 43 on page 244, the following:

"(3) Subsection (1) does not apply to any loan, investment or interest that is defined by regulation made pursuant to section 465 to be an interest in real property."

Motion No. 81A.

That Bill C-4 be amended in Clause 483:

(a) by striking out line 36 on page 256 and substituting the following:

"(b) subject to subsection (4), involves the provision by the company";

(b) by adding, immediately after line 40 on page 257, the following:

"(4) The provision of services, for the purposes of paragraph (1)(b), does not include the making of loans or guarantees."

Motion No. 85.

That Bill C-4 be amended in Clause 504:

(a) by striking out lines 8 and 9 on page 269 and substituting the following:

"published

(a) in the Canada Gazette, the information contained in each of";

(b) by striking out line 15 on page 269 and substituting the following:

"Minister, having regard to subsection 503(1), may determine, such other infor-".

Motion No. 88.

That Bill C-4 be amended in Clause 540 by striking out line 1 on page 283 and substituting the following:

"540. If, during the third session of the".

Motion No. 90.

That Bill C-4 be amended:

(a) by adding, immediately after line 46 on page 291, the following:

"Amendments to this Act if Bill C-19 is assented to

559. If, during the third session of the thirty-fourth Parliament, Bill C-19, entitled An Act respecting banks and banking is assented to, then,

(a) on the later of the coming into force of subsection 38(1) of this Act and section 1 of that Act, paragraph 38(1)(b) of this Act is repealed and the following substituted therefor:

(b) letters patent continuing the conpany as a bank under subsection 35(1) of the Bank Act or amalgamating and continuing the company as a bank under subsections 223(1) and 229(1) of that Act.

(b) on the later of the coming into force of section 445 of this Act and section 1 of that Act, section 445 of this Act is repealed and the following substituted therefor:

445. A bank that is continued as a company under this Act that, immediately before that continuance, held any outstanding security pursuant to section 426 or 427 of the Bank Act may continue to hold the security for the life of the loan to which the security relates and all the provisions of the Bank Act relating to the security and its enforcement continue to apply to the company as though it were a bank.

"Amendments to this Act if Bill C-34 is assented to

560. If, during the third session of the thirty-fourth Parliament, Bill C-34, entitled An Act to revise and amend the law governing cooperative credit associations and to provide for related and consequential matters is assented to, then, on the later of the coming into force of section 449 of this Act and section 1 of that Act, paragraph (e) of the definition "service corporation" in subsection 449(1) of this Act is repealed and the following substituted therefor:

(e) any other Canadian financial institution incorporated or formed by or under an Act of Parliament, or any central cooperative credit society to which the Superintendent has, by order under subsection 473(1) of the Cooperative Credit Associations Act, applied Part XVI of that Act, that has a substantial investment in the body corporate,";

(b) by renumbering the subsequent clauses and any cross-references thereto accordingly.

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, as I said earlier, before this debate commenced, there is an effort here to try to standardize all of the legislation for trust companies, banks, insurance companies and the Canadian Co-Operative Society.

The motions that are grouped here, excluding Motion No. 57, are motions that will be identical in the other bills.

These motions are brought this way now in order to bring Bill C-4 into line with Bills C-19, C-28 and C-34 as they passed the committee. The finance committee dealt rather extensively with these issues at the time. Because Bill C-4 was passed really in the last Parliament and brought forward to this Parliament as Bill C-4, it was really Bill C-89 in the last session, these issues have not been dealt with as well. That is the reason for these particular motions now.

I believe that we should proceed expeditiously with them.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, in looking over these amendments I agree with the hon. member that really what they do is standardize and harmonize the corresponding wording in all the financial institution bills.

We would agree with these amendments.

Mr. John R. Rodriguez (Nickel Belt): Similarly, Mr. Speaker, I have no problem with them expect for Motion No. 57. When we get to debating it I will raise the points that I want to make at that time.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

On a point of order, the hon. member for Nickel Belt.

Mr. Rodriguez: Mr. Speaker, I just want to be assured that we will get to Motion No. 57 next. Motion No. 57 is not part of this group.

[*Translation*]

The Acting Speaker (Mr. DeBlois): The vote on Motion No. 8 will apply to all the motions listed in the Speaker's decision, except Motion No. 57.

[*English*]

Is it the pleasure of the House to adopt motion No. 8?

Some hon. members: Agreed.

Motion No. 8 agreed to.

Hon. William C. Winegard (for Minister of State for Finance) moved:

Motion No. 57. (as amended)

That Bill C-4 be amended in Clause 416:

(a) by striking out lines 29 and 30 on page 214 and substituting the following:

"the business of insurance except to the extent permitted by this Act or the regulations.";

(b) by striking out, in the English version, lines 39 to 42 on page 214 and substituting the following:

"relations between companies and

(a) entities that undertake the business of insurance; or

(b) insurance agents or insurance brokers.";

(c) by striking out, in the English version, lines 8 to 11 on page 215 and substituting the following:

"company, but a company may require that an insurance company chosen by a borrower meet with its approval, which shall not be unreasonably withheld.";

(d) by striking out, in the French version, line 5 on page 215 and substituting the following:

"auprès d'une compagnie d'assurance donnée, une";

(e) by striking out, in the French version, line 9 on page 215 and substituting the following:

"compagnie d'assurance agréée par elle, la société ne pouvant refuser son agrément sans motif valable.";

(f) by adding, immediately after line 11 on page 215, the following:

"(6) For the purposes of this section, the business of insurance includes the issuance of any annuity where the liability thereon is contingent on the death of a person."

Mr. Don Blenkarn (Mississauga South): The effect of this amendment is to bring it in line with the amendment in the Bank Act which effectively prevents banks from being in the business of distributing in their branches insurance or insurance products.

While I am on my feet I would like to present a further amendment and I believe the House will agree unanimously to allow me to do that. This amendment I now produce:

That clause 416 of Bill C-4 be amended by adding immediately after line 11 on page 215 the following subsection, annuities:

(6) For the purpose of this section the business of insurance includes the issuance of any annuity where the liability thereon is contingent on the death of a person.

The reason for that is to make sure that trust companies have no further power than banks will have under the provisions of Bill C-19 when we come to it. The concept is that we would have banks and insurance companies *vis-à-vis* the sale and distribution of insurance products exactly in the same position.

• (1620)

I am going to ask my colleagues to unanimously allow this motion to come forward with this amendment at this point. The fact is that members know as you proceed with a very complicated and extensive piece of legislation, sometimes minor items are left out. In this particular matter we found out early this morning that the Department of Justice in organizing the amendments did not add all of the amendment as made to clause 416 of the bill in the correct fashion as it had been passed in the Bank Act. The amendment is to bring this matter into line with the Bank Act.

If I could have unanimous consent on that I would really appreciate it.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for the amendment tabled by the hon. member for Mississauga South?

Some hon. members: Agreed.

Amendment of Mr. Blenkarn agreed to.

The Acting Speaker (Mr. DeBlois): Resuming debate on Motion No. 57, as amended.

The hon. member for Nickel Belt.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I think you have to understand what is envisaged by this particular motion. We on this side of the House have taken the position that banks should do the things that banks best know how to do and that insurance companies should do the things related to insurance matters. Similarly, trust companies should do the things related to trust and loan companies, and co-operatives in the same fashion.

We have opposed every attempt to collapse the pillars. When this bill is all done it is going to allow banks to own insurance companies, insurance companies to own trust and loan companies, and banks to own trust and loan companies. I have no hesitation in saying that when this is all passed you are going to see the greatest urge to merge ever in this country.

We have taken the position that we ought not to go for that approach. The sumo wrestler approach is not the one that we should be aiming for. We have said that there is nothing wrong with a bank entering into an agreement with an insurance company, a joint venture, and for the bank to market the insurance products of an insurance company or several insurance companies. Already banks do insure. There is creditor insurance and banks do market insurance. There is mortgage insurance and banks do market mortgage insurance. We have said quite frankly to banks: "You cannot market insurance out of your branches, but you can go ahead and set up your own insurance company or buy one of the smaller insurance companies and start building its base".

It seems to me that this is not serving the interests of consumers. All this will lead to when it is all said and done is that one morning Canadians are going to wake up and there will only be one super financial institution with arms like an octopus.

When we dealt with Bill C-83, which is the former name of C-4 in the previous Parliament, we came to clause 416 and lo and behold we looked at the French version of the clause and the French version says that you cannot do anything except what we tell you to do. The English version said: "You can do anything, except what we tell you not to do". At the time we felt that the natural person's concept was reflected in the English version. I moved to change the French version so that it was more consistent with the English version. All the members on the committee agreed to that.

I want to say that the beloved chairman of our committee flew off to Toronto and spoke to a meeting of insurance brokers and insurance companies.

An hon. member: In Taiwan?

Mr. Rodriguez: It was not in Taiwan. He did it in Toronto.

An hon. member: Did they feed him lunch?

Mr. Rodriguez: It was a supper meeting. Lo and behold he came back like he was on some safari to Damascus. He was a converted man. He said "You cannot do this. Now you have broken the deal". Now the banks would be able to dipsy-doodle around the rules laid out in Bill C-83, now Bill C-4, and market insurance.

In one fleeting moment, one shining moment, in a committee room on Parliament Hill, parliamentarians decided that what was a done deal was not what we thought ought to be. In other words we decided to show our political and economic masters that they can no longer keep us on this chain. We were going break the chains that bound us to the towers of finance in this country. They were not allowing us to have that little crumb. So, they hauled our favourite chairman down there and he came back a changed man. He said: "You cannot do this because you would have broken the done deal".

I want to get back to this done deal because it is very important for people who are watching to understand. In the committee this is what the chairman said to me. I want to put it on the record.

The chairman said: "I know where we are going here and you all know where we are going. Let us face it, this deal is a cut deal. Is that what you are saying you have negotiated? You have had representations from all sides and essentially, this is a must situation as far as your minister is concerned". Mr. LePan from the department says "yes".

The chairman is not satisfied, he has to nail it down. He goes on to say: "As far as the minister is concerned and the government is concerned, from all sides, essentially, this is a must situation as far your minister is concerned". Mr. LePan says, "Yes".

"As far as the minister and the government is concerned, you want the legislation this way". Mr. LePan says: "That is right".

It seems to me the way that works is if the boys over at the towers at the CBA want this and the insurance people want this, what does our favourite chairman say? "Aye, aye, sir". And what does the minister say as he looks at the member for Mississauga South, since he probably knows more about than the minister. He says: "What do you think"? He says: "Aye, aye, sir".

For one moment we decided to do this. In this particular clause we decided that the natural persons' approach was the correct one. Lo and behold in Bill C-19, the government acceded to the requests of their financial and political bosses and turned around and are now saying: "You have to change C-4 back". I want to tell you this member and this party are not for turning. I want to tell you that my colleagues did a lot of turning up at Aylmer over the weekend. They turned 360 degrees on many, many important issues and I suppose they are going to turn on this one too.

• (1630)

That is the background behind our motion. We have absolutely no objection to banks marketing insurance through their branches as long as they are not allowed to own insurance companies. We believe that is the way you can provide better prices for consumers at the grassroots level. This important aspect of financial matters should not be left in the hands of the insurance companies which would be owned by banks. You would then have a concentration of ownership and prices would never come down.

We believe that banks can deliver this service to consumers much more economically and in a wider way because they have all of the branching networks across the country which insurance companies do not. That is the argument for this motion.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, certainly this amended version of Motion No. 57 is one that I will be supporting. After a great deal of study on the financial institutions and a great deal of thought, we feel that banks and trust companies should not have the power to sell all types of insurance.

I will be speaking at third reading in great detail on that, but today I will give three or four reasons. Actually there is no evidence to show that banks can really sell insurance cheaper to customers in the long haul.

Second, to give banks power to sell insurance could be very unfair competition for the insurance industry. The Royal Bank has assets of $126 billion. That is more than all the assets of the insurance industry put together. So we are very concerned about the possibility of very unfair competition.

There are also avenues to suggest that there could be some tied selling, where a bank will say to a customer: "We are not going to give you a mortgage unless you buy your insurance from us". There was a study done in the United States which showed that there are certainly situations where tied selling does exist.

Those are basically three of the reasons which I will detail on third reading.

There is a question that I find hard to understand, listening to the words from the hon. member of the NDP. Why does he want banks to have all the banking functions and also sell insurance, but only wants insurance companies to do insurance? I have to ask you, Mr. Speaker, whether that is fair. I certainly do not feel that it is and I will be supporting the amended version of Motion No. 57.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I certainly wish to enter the debate on this particular section as well.

It revolves around, and we debated this way back in 1985, the ability of financial deposit-taking institutions like banks to sell and get into the insurance business. Of course, the fundamental problem is that if you go to a bank for a mortgage the bank is going to say: "Hey, we have this package for you. You have to take this insurance. You have to take this life insurance. You have to take this insurance on your house". There will be some connection there. You have to go and get your mortgage, so you are sort of forced into taking all these other insurance policies. Of course people say: "No, no. We are going to protect the consumer from that".

When I was attending the finance committee meetings, it used to be called the china wall. Apparently now it is called the fire wall, although I understand that the fire wall is going to become more like a wall of fire. You cannot regulate against that. You cannot enforce the regulations.

You have a little office somewhere in Strasbourg, Saskatchewan. There is the Royal Bank of Canada or whatever and you go there. You want to get your mortgage. Right beside the loan officer is a guy selling for the insurance company that the Royal Bank of Canada owns, as an example.

These two men or women are working beside each other. They are going to have lunch together.

An hon. member: They cannot do that.

Mr. de Jong: You cannot do that. Of course, you cannot do that, but who is going to stop them from doing that?

Can we trust this government— which believes in getting off business' back and allowing business to do its thing, that everything will turn out rosy—to enforce these particular regulations?

The funny thing is that in these proposals that the government is bringing forward we are going to need more regulations. The government is going to allow things that will tempt the devil. Therefore we are going to need more regulations to prevent that.

To tell you the truth, I do not believe in the ability of this particular government to enforce regulations. It does not believe in regulations. The Conservatives are the bunch that says deregulate.

We can build up a nice regime that works well on paper. We have the regulations in. We have got the regulators out there. We have the inspectors out there and lo and behold the political winds shift and we have this new right wing neo-Tory government. It gets elected on the notion of take government off the peoples' backs, deregulate, clear it up.

An hon. member: Hear, hear.

Mr. de Jong: We hear "hear, hear". They can hardly restrain themselves from yelling "hear, hear".

An hon. member: Wait until Preston starts pulling the strings over there.

Mr. de Jong: Yet the whole regulatory regime that is being established by the legislation the government introduces depends upon an effective regulatory body. We are asked to believe in this House that this government, these people across the way, these neo-Tories who yell "hear, hear" at the mere mention of deregulate, is going to put in place an effective regulatory body.

Give me a break. Is this a joke? Do they really expect the people of Canada to believe this? Come on, Mr. Speaker.

An hon. member: They would believe in the tooth fairy too.

Mr. de Jong: Mr. Speaker, it is in the public interest to maintain the pillars. Let the insurance companies do what is best, sell insurance. They have their agents and they have developed their marketing. They have agents all over this country. I believe the Canadian public has been well served.

To throw all those people out of work and make them redundant so that the banks can start selling insurance is not going to help the consumer or the insurance industry in this country. I do not think it is going to be in the interest of the insurance industry either to become involved in a deposit taking institution.

The insurance industry has served Canada well. Let it be. There is no need to meddle in something that is working relatively well. Do we want to follow the American example? Is that what these Tories are so hot to trot about, to become like the Americans? They just had horrendous failures in the savings and loans institutions. Do we have to become like the Americans and have more failures here as well? Are the failures to be picked up by the Canadian taxpayer through deposit insurance and perhaps direct outlay of public expenditures?

• (1640)

The old saying is: "If it is not broken, don't fix it". We believe when it comes to providing good insurance policies to Canadians we have done well, and let us keep it that way.

I cannot support the proposals of the government. I cannot believe that this government will set up an effective regulatory regime, that it will have the people capable of doing that or the funds and the resources to be able to do the job, or that it will have the resources to do the proper regulatory job that this legislation is going to require.

It cannot be done by a group of neo-Tories. We have a group of neo-Tories in government today. It is a contradiction of terms. What the government is proposing here and what is going to be required to make this effective and real cannot be done by a group of neo-Conservatives. It cannot be done. I stand opposed to the motions of the government.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): There will be two votes. The first one will be on Motion No. 57 and the second one will be on the motion tabled by the hon. member for Mississauga South.

I want to check with the hon. member. Is there unanimous consent to adopt the motion tabled by the hon. member for Mississauga South?

Mr. Rodriguez: Mr. Speaker, if I recall the procedure, you called Motion No. 57. The hon. member for Mississauga South stood up and sought the unanimous consent of the House to amend it by adding a subclause at the end. We all agreed to that.

You then called for debate on the amended motion and we have been debating the amended Motion No. 57. I do not see where you need two votes. You need one vote on the amended Motion No. 57.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I am not a procedural expert, but because the amendment moved by the hon. member for Mississauga South is substantial, I want to check to make sure that the House agrees to consider the vote we are about to take to be on Motion No. 57 as amended by the hon. member for Mississauga South. Is that the wish of the House?

Some hon. members: Agreed.

[*English*]

Mr. Rodriguez: I rise on a point of order, Mr. Speaker. Are we going to vote on Motion No. 57, as amended?

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to vote on Motion No. 57, as amended?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): The question is on the motion as amended. Is the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), the motion stands deferred.

Motions Nos. 20, 24, 28, 29 and 38 are grouped for debate.

Mr. Winegard (for the Minister of State for Finance) moved:

Motion No. 20.

That Bill C-4 be amended in Clause 170 by striking out line 25 on page 86 and substituting the following:

"section."

Motion No. 24.

That Bill C-4 be amended in Clause 174 by striking out line 20 on page 89 and substituting the following:

"section."

Motion No. 29.

That Bill C-4 be amended in Clause 196 by striking out line 10 on page 98 and substituting the following:

"section or of a body corporate continued as a".

Motion No. 38.

That Bill C-4 be amended in Clause 271 by striking out line 28 on page 138 and substituting the following:

"the coming into force of this section, would".

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, these amendments are technical amendments of a transitional nature to move from the existing legislation to the new legislation. We must all remember that there is existing legislation and that companies are operating under the existing legislation. There has to be some time to change over to the new regime contemplated in the new financial administration legislation.

The reason these particular ones are grouped is because they are all transitional in nature and they are the kind of things we have agreed to in other bills. They are now before this House on this particular bill in much the same fashion as some other matters of this nature have been brought before the House.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, certainly we will support this group of amendments, Motions Nos. 20, 24, 28, 29 and 38. As the member from Mississauga says they are really technical in nature and they help to clarify the legislation.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we have no problems with these amendments.

• (1650)

The Acting Speaker (Mr. Sobeski): Shall the amendments carry?

Some hon. members: Carried.

An hon. member: No.

The Acting Speaker (Mr. Sobeski): Just to get the procedure properly, shall a vote on Motion No. 20 carry?

Some hon. members: Carried.

The Acting Speaker (Mr. Sobeski): Then the votes on Motions Nos. 24, 28, 29 and 38 would also be carried.

Mr. Blenkarn: Right, carried.

Motions Nos. 20, 24, 28, 29 and 38 agreed to.

[*Translation*]

The Acting Speaker (Mr. DeBlois): We will now proceed with motions Nos. 30 and 47, standing in the name of the hon. members for Nickel Belt and Malpeque.

[*English*]

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 30.

That Bill C-4 be amended in Clause 204 by adding immediately after line 4 at page 102 the following:

"(3) The Directors of a bank shall place before the shareholders for approval, at every annual meeting, a list containing the names of the five directors, officers or employees of the company who are to receive the highest salaries to be paid by the company in the next financial year of the company, together with the amount of such salaries.

(4) Notwithstanding any Act of Parliament, the salaries referred to in subsection (3) may be paid only to the extent that they have been approved by special resolution.

(5) Forthwith after each annual meeting of shareholders, the company shall send to the Superintendent, a list containing the names of the five directors, officers or employees of the company who are to receive the highest salaries to be paid by the company in the ensuing financial year of the company together with the amount of such salaries.

(6) For the purposes of this section, "salary" means any form of remuneration payable by a company for work performed by a director, officer or employee of the company and includes

(a) commissions, vacation pay and bonuses;

(b) reasonable value for rent and housing;

(c) payments in kind; and

(d) any other advantage received directly or indirectly from the company;

but does not include

(e) any amount paid as a consequence of the termination of the employment of any director, officer or employee."

Ms. Catherine Callbeck (Malpeque) moved:

Motion No. 47.

That Bill C-4 be amended in Clause 329 by adding immediately after line 11 at page 168 the following:

"(3) A person who in good faith makes an oral or written communication under subsections (1) or (2) shall not be liable in any civil action arising therefrom."

Mr. Rodriguez: I have waited for this for a long time, Mr. Speaker. Basically this amendment is what our country is all about. It is what we in the western world have always held to be the ultimate, and that is democracy.

From the whole experience I have had with financial institutions, I have found that what we want for our country and what we uphold as a model is democracy. Lo and behold, those corporate entities of this country fall far short of the model.

In fact that was one of the major purposes for moving this. I mean this was the first opportunity I had in dealing with banks and financial institutions. Shareholders are provided the opportunity to vote on the remuneration of the board of directors, but those same shareholders are not provided the opportunity to vote on the salaries of the highest paid officials of the particular institution, whether it be a bank, a trust company or an insurance company.

It seems to me that the shareholders ought to know what these people, their employees, are being paid. It is like saying to the people of Canada that they have no right to know what public servants earn or they have no right to know what MPs are paid. After all, the people of Canada are our shareholders, and God knows they have this information available to them because this is their company.

This is their government. This is their Parliament. They are paying their share in the cost of running the country and they want to be able to know what is going on. It is only fair.

I hear a lot about the fact that we want to create a level paying field with our major trading partner, the United States. The executives of large companies in the United States have to file their wages with the Securities and Exchange Commission. We have no such thing here. When we want to find out what a Canadian corporate leader is making, we have to go to the United States. If that company is doing business in the United States it has to file there. That is where we find out the information. For example, we find out information about Don Phillips, President of Inco Ltd. We have to go to the United States to find out he makes $1.9 million a year. Raymond Cyr of Bell Canada Enterprises makes $1.2 million a year. Frank Stronach makes $1.2 million a year. Arden Haynes, chairman of Imperial Oil, makes $1.2 million a year.

It is important that shareholders and investors know the salaries being paid to the chief officers of their financial institution.

The Ontario Securities Commission is holding hearings to find out if this information should be revealed. It has received some 58 briefs and the vast and overwhelming majority of these briefs say no. It is absolutely astounding that for some reason some people do not believe that their wages should be revealed to the shareholders of their company.

They point out that should this information be revealed they and their families might be more subject and susceptible to kidnappings. For example, I am not aware of any statistical information showing that people from Forest Hill are more often kidnapped than people in the working class communities of Toronto. Another respondent to the commission said he does not want this information released because he does not want to be bothered by all kinds of people trying to get him interested in buying stocks and making other kinds of investments.

No one is obliged to be a senior corporate executive in this country just as no one is obliged to being a member of Parliament. It is a choice you make. With respect to what the government is doing to the economy of this country I wish it felt more obliged to listen to the Canadian people.

I believe it is in the interest of the public that the salaries of the top officials be known. We started a hearing on Standard Trust and we found out some very alarming things with respect to the kinds of deals which have been made to pay bonuses to executive officers. They were based on how many commercial mortgages they could generate, how much of the company's money they could lend for mall development, et cetera.

It seems this is one of the ways the shareholders have in controlling what is going on at the top of their company. After all, it is their money that is being spent.

I have taken the opportunity in this amendment to put this in. This is not just titillating pornography for the public. This is important business for the shareholders and the investors of the company.

• (1700)

It seems to me that we, as the federal government, could take the lead. We could send a clear message to those provincial organizations, such as the Ontario Securities Commission, that are presently contemplating bringing in some rules to reveal this. Surely the argument that has always been made is the one that says: "We have to be more like the United States because we have to compete in its market". How is that all the good regulations and rules it has we never want to adopt, but all of the more questionable measures it has in legislation, by golly, we want to adopt them here willy-nilly?

I argue for this particular Motion No. 30. I hope the House will see the reasonableness of it and the need for it and will vote for it.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this is an issue that we read and hear a lot about from time to time.

I must say that during the committee meetings when we were discussing the financial institution legislation, there was not one witness who brought that up. It appears to me that it really is not a very pressing matter in the minds of shareholders.

I know that the hon. member for Nickel Belt mentioned the Ontario Securities Commission was looking into this and had briefs. No doubt we will be hearing from it that it will be making a decision later this fall.

I know that there are some people who argue that wage disclosure would put shareholders in a better position to assess the fairness and reasonableness of the allocation of resources. They also argue that investors should know if executives are receiving too much in the way of salaries in regard to the profit the company is making.

On the other side of the argument, there are people expressing concern for greater privacy, personal risk and that there would be increased competition which would raise salaries.

This amendment was put forth by the New Democratic Party. It is far from certain whether this amendment will discourage higher executive salaries in Canada. I believe that is what the party hopes.

It is interesting to note that the U.S. law on which this amendment is based has reportedly not discouraged higher salaries there. Rather, it has encouraged higher salaries. When the top five salaries are disclosed some executives will undoubtedly look at them and figure out that they are underpaid. We could have the same situation happen in Canada in which the CEO of Royal Trust would find out that the CEO of Canada Trust is making $100,000 more. What would happen? The CEO of Royal Trust would want more money. That is what has been the experience in the United States with this law on which this amendment is based. It has really driven salaries up, not down.

In view of that, this is an amendment we will certainly be voting against.

Mr. Derek Blackburn (Brant): Mr. Speaker, the naivety of the previous speaker is overwhelming on two points. This amendment is not primarily to try to keep executive salaries down. That is a matter for the various corporations to wrestle with. As far as the chief executive officers of one company not knowing approximately what the salaries of the chief executive officers of another company are, this is absolutely ridiculous. Of course they know. They do not know down to the exact penny or dollar or hundreds of dollars, but they certainly have a very clear idea of approximately what the top directors and the top CEOs are getting. As a matter of fact, if their stock is traded on any of the American exchanges all they have to do is phone Washington and they can find out immediately.

The point here is that it is a matter of principle. I do not know why there should be boardroom secrecy on this kind of issue. I do not know why we write laws in this country deliberately prohibiting or denying shareholders the right to know what their chief executives are earning. It is as simple as that. It is a matter of principle. It is a matter of openness.

I want to give an example of what happened in my community a number of years ago when the Canadian government and the government of the province of Ontario gave Massey-Ferguson Corporation $200 million in an attempt to get that company back on its feet; $125 million from the federal government and $75 million from the province of Ontario.

We in Brantford wanted to know what the then chief executive officer of that company was earning and we could not find out and the Government of Canada could not find out and the government of Ontario could not find out. Yet taxpayers were being asked to cough up $200 million to bail out that company. We had to go to the United States to find out what Victor Rice was earning. If memory serves me correctly I think he had taken a decrease in pay from something like $275,000 a year to $245,000 a year as his great contribution in helping to bail out that company at the same time that the taxpayers were giving him $200 million.

It is a matter of principle. We believe in an open society in this country. We believe in open government, although not all parties practice what they preach when it comes to open government. Here we have a wonderful opportunity in this House, legislatively, to make certain that shareholders and the general public and the Government of Canada know what the salaries of these chief executive officers are.

The other point is it is manifestly clear that chief executive officers do not want their employees to know and do not want their shareholders to know what their increases are year over year, when in periods of economic recession their employees are being asked to take less. There is the other side of the sword. Maybe some chief executive officers in the last couple of years have only had a 4 per cent or 5 per cent increase. Maybe some have had a 7 per cent or 8 per cent increase. If you add their perks and their privileges and the stocks that they get and the entire package then you may find that they are getting a hell of a lot more than 4 per cent or 5 per cent increases year over year during a recession when they are demanding from their employees maybe a 2 per cent or 3 per cent increase or maybe a 0 per cent increase.

Why not the openness? Why is the government defending the chief executive officers of the major financial institutions of this country against their own employees? That is the question and that is the principle.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, my friend from Nickel Belt who brought this amendment brings it, I think, with a great deal of intensity in his understanding, but it is really an amendment that has something to do with stocks and stock trading situations on a stock exchange. He will know that the regulation of security companies is a provincial matter and, properly, the Government of Ontario is conducting hearings on this issue.

• (1710)

What we have here is a situation in the way we run trust companies and remember, trust companies are trust companies. They are very much, in detail, supervised by the Superintendent of Financial Institutions. The salaries paid to all of the officers are known to the Superintendent of Financial Institutions. But they are a matter that ought not to be public. It is important in the solvency arrangements we are trying to protect for the Office of the Superintendent that as much confidence be there in financial institutions. That confidence should not be eroded by debates as to whether the salary of an officer is too high or too low or whether it compares with another company or how it fits in the pecking order. That ought not to be there because that kind of a debate attacks the credibility of the institution.

We have a lot of provisions in this bill in connection with the election of directors, to make directors very responsible for the management of the financial institutions covered in this group that we are going to be dealing with.

With respect to trust companies, a great number of them are relatively closely held. The owners know what they are paying their chief management people. They know it very well and they are hiring the best people they can, at the best price they can. The superintendent knows what they are paying them because if they are paying them too much, the superintendent will treat that as he does any matter that comes before him concerning the solvency of the institution.

So we are not dealing with a situation of Massey–Ferguson Ltd. and Mr. Rice or an Inco and so on. These are not situations where shareholders have a great deal to gain by the information. Indeed, the shareholders have a great deal to lose by the information because they want their company to be successful and managed well. They do not want their company to have its linen spread across the street to cause problems with the nature of their company and the value that they have in their investment.

The government believes that the proposal is not appropriate in a loan and trust company bill. It is not appropriate, indeed, in any of the financial bills, and so the government cannot support the amendments.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to speak in favour of Motion No. 30 by the member for Nickel Belt. Before I talk about some of the parts of that motion, I want to deal with the rather odious and foul-smelling arguments put forward by the member for Mississauga South and the member for Malpeque.

The member for Mississauga South, publicly in this House, has always patted himself on the back as being someone who always favours disclosure. The public's right to know is what he has branded himself on the forehead as being the great saviour of and the great promoter of all across this country. And here, on an amendment that would simply reveal the salaries of the top five paid executives of corporations, he is saying no, no, no. The hon. member will not explain it, but he tries to throw out a little bit of a boomerang, a little bit of a curved ball, a little bit of a smoker, when he says it has something to do with stock trading. He will not be specific, he would not go into it, but he said that the government cannot tell us what any of the CEOs or any of the top salary earners are getting because it has something to do with stock trading.

The member for Malpeque reveals the Liberal oyster, so to speak. I guess they really did slide to the right over the weekend. Her argument is that this could lead to competition for higher salaries. This is going to be known in the next federal election as Malpeque reasoning. Here is the reason you cannot disclose anything; it could lead to higher salaries. You cannot have that. That will probably be the argument the Liberals will use for not telling what the members of the Senate make, or anyone in the House of Commons, or what you pay for taxes, or what it costs to take the bus. It sounds to me like the kind of thinking that probably brought about the demise of the Soviet Union.

Let us take a look. One of the points raised by my friend from Brant is very important. We know why the National Citizens' Coalition likes to kick members of Parliament for the amount we are paid and everything else. They want to bring down the credibility of public institutions.

Have you ever heard the National Citizens' Coalition talk about the fact that the principal beneficiaries in every corporation in the country have hidden salaries? Not likely. We know who funds the National Citizens' Coalition. We know why they continue to attack public institutions and why they are after the Public Service Alliance of Canada and Daryl Bean right now. We know why the NCC is doing that.

I see the Solicitor General here today. I am sure he is going to speak. He says he knows why the National Citizens' Coalition is going after the Public Service Alliance.

Viewers like to know what goes on in the talk box. Let us take a look at the amendment because it is a good one. It would amend clause 204. It says that the directors of a bank shall place before the shareholders for approval at every annual meeting a list containing the names of the five directors, officers or employees of the company who would receive the highest salaries to be paid by the company in the next financial year of the company together with the amount of such salaries.

It is interesting that the Liberals and Conservatives, who are always a team, are arguing that we cannot have that. We certainly could not possibly have the directors of the bank doing something like that.

Then it goes on to say that notwithstanding any act of Parliament the salaries referred to in subsection 3 may be paid only to the extent that they have been approved by special resolution. The member for Mississauga South is always talking about disclosure and the right to know where the buck is spent and that the buck has to stop somewhere. One would think he would be the first one to stand on his hind legs and argue vigorously and vociferously for there to be a paper trail from the shareholders to the directors to the salaries that are being paid to the top five.

Why is he cozying up? Is he going to leave with the Minister for International Trade for the Bank of Nova Scotia? I am always amazed after elections when government members are defeated. You can always tell the ministers who were really out there cutting the deals. They are in the paper day after day for weeks after the election, appointed to the board of blinkety-blank corporation, and blonkety-donk, and dinkety-dank, and stinkety-stank. It just goes on and on. Look at the list of some of them; guys like Peter Lougheed with 40 or 50 directorships. What about Bill Davis?

We are obviously drilling on the right teeth. It is like being in a dentist's office. I can tell when they are getting a little jumpy over there. You can tell when you are getting close.

It says further that forthwith after each annual meeting of shareholders the company shall send to the superintendent a list containing the names of the five directors, officers or employees of the company who are to receive the highest salaries to be paid by the company in the ensuing financial year of the company together with the amount of such salaries.

That is basic fundamental disclosure. I doubt that there are many members in this House who do not from time to time contact the U.S. Securities Commission to get that kind of information either on new corporate entities operating in their constituencies; on ones that are already there; when there is starting to be a feeling about things in Alberta and you want to check things out. You might just want to make a few calls and find out how much dough is moving up and not down. That is what shareholders like to know. They want to know when those five CEOs have the plunger on the bank account and they are sucking it up into their offices. You want to know because that is how a lot of shareholders have been stripped of a heck of a pile of dough in this country.

The hon. member goes on in point six and says that for the purposes of this section, salary means any form of remuneration payable by a company for work performed by a director, officer or employer of the company. It includes—because this is where a lot of these corporate sharpies have discovered ways to get stuff under the rug, and I am not talking about dust—commissions.

• (1720)

They might get a little commission on a trip. It might be 10 grand, 20 grand, 30 grand.

How do we know about vacation pay and bonuses? I would not want to use the PM as an example. Let us say somebody wanted to pay him back for a big deal such as a free trade deal and he got a big chunk of property in Florida.

I am saying that in that situation, the people of Canada would eventually find out. What if it was one of the CEOs of a big corporation cutting a special deal? It could be a deal with iron ore. You shut down this town and we will give you a bunch of dough later. We will keep it off shore in a bank.

Disclosure is fundamental to public trust. What about bonuses? Bonuses are quite often paid after the fact. You do the dirty job and you get it 12 months later. All of this kind of stuff should be made very clear and disclosed.

Mr. Rodriguez: The stock options, too.

Mr. Fulton: This guy Munk. There is a word that rhymes with that, when one talks about the money he made on the gold shares. What did he make, $5 million or $50 million?

Mr. Bosley: $50 million.

Mr. Fulton: Thanks, Bos. That is right. Bosley might have had some of those shares.

All of this kind of stuff should be disclosed well in advance so we know exactly what kind of dough these guys are hauling away in their Loomis trucks to their vacation homes.

Reasonable value for rent and housing: that is another good burial ground for special perks for the top five in every company. They get a nice house, say, a $3 million or $4 million house. They just live in it. They get a few rugs thrown in. They just hang around in there. They get it rent-free.

The shareholders should know about this kind of thing and they should not be Malpequed on it. This is not a situation where the oyster has to clam shut. I do not want to mix my shellfish metaphors, but I do not like oysters that clam up.

I think we should toss out that Liberal argument that disclosure could lead to higher salaries. I cannot wait to put that in my election material. "Payments of any kind".

I am just getting to the good stuff in this section. "Payments of any kind: Any other advantage received directly or indirectly from the company." That is where you really have to start looking. I think that is why Johnny properly put it in there.

We want to get to the bottom. We want the dirt on these guys who are up at the top monkey wrenching our economy, monkey wrenching employees and hiding all sorts of things from the shareholders.

All we are asking is to get out of this colonialist, beaver hat mentality, get both feet on the ground and say: "What kind of dough are these guys getting? What are they taking?"

Mr. Speaker, I can tell from your agitation in the chair that you would love to have an opportunity to get up and vote for this amendment because it is the best one we have heard today.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I also wish to participate although I think it might be very hard to follow my colleague.

In all seriousness, it is amazing that we are still debating this point in 1991. There is not public disclosure of the salaries of the chief executive officers of a public company. I underline the word "public". What is going on here? Why not?

It seems to me that in almost every civilized, developed country, the requirement is there. It certainly is in the United States. Again, it is put there to protect the shareholder. The job of a government is to help protect the public interest including shareholders.

That is why you have public institutions. That is why you have government. That is why you have a public domain. It is the job of this government to ensure that there is legislation so that information like the perks, salaries and remuneration of chief executive officers of publicly held companies is public information.

We generally consider ourselves to be a modern country, and in many ways we are.

Every now and then there are these little dark holes that sort of throw us back into medieval times, into the dark ages. This is one of them. The fact is that there is no requirement in this country for public officers in a publicly traded company to have information about their salaries made public. It is a dark hole.

I am quite amazed at the Liberal Party which really perpetuated this, because it has been in power for years and years and years and never did anything about it. In that period in opposition, it modernized itself enough to be able to support a relatively more modern contemporary regime when it comes to public disclosure.

It has given the indication today that it is going to go along with the conspiracy of silence. The reasoning one hears, whether it is the Liberal Party or the Tory Party, trying to rationalize something that is irrational, is totally outdated and totally belongs to the dark ages. To hear it squirm and dance around this point is really quite, quite humorous. It would be a laughing matter if it were not so sad because it is serious about it.

It suggests that this is going to encourage high salaries and this is the experience in the United States. How can you make that determination? It is logically impossible to say that it has created higher salaries in the United States. You have to be able to then compare it to a situation in which these rules were not in place. Who knows? Salaries in the United States for the chief executive officers might be 100 times more had that requirement not been in place.

The hon. member from the Liberal Party, looking for a reason in order to impose the amendment, decided to take this particular interpretation. It is not rational mind you, it is just an attempt to try to create some rationality for a decision the Liberal Party has made.

When I hear my friend from Mississauga South trying to justify this and knowing the hon. member, I suspect his heart was not entirely in his reasoning. I know the hon. member is very much concerned about public disclosure. I know the hon. member believes that if the public knows something, in its infinite wisdom it will correct wrongdoings. The key thing in here is public knowledge, public disclosure.

If there is some hanky-panky occurring among the chief executive officers, it can best be corrected by self regulation and the shareholders bringing to task their board of directors. You need public information and public disclosure. The shareholders have got to know what is happening in order to be able to correct a wrong situation. If there is no public disclosure, you cannot really have a correction of any wrongdoing.

There are some real reasons why people do not want to have their salaries exposed. The member for Brant makes the point very clearly that in difficult economic times when everybody is being asked to tighten the belts and to make a sacrifice in order to keep the enterprise going, it is important to know that the chief executive officers are also tightening their belts, that this is just not a cynical exercise in order to deny employees an increase in their salary while the employers are continuing to take larger amounts of various forms of remuneration.

It is important for the employees as well as for the shareholders to know what is being paid. Particularly for the smaller institutions it is important for the shareholders to know that a few of the boys at the top are not really raking it all in. It is going to affect the value of the shares and the amount of dividends that are going to be paid and this is very important for them.

• (1730)

The shareholders will never be able to know unless there is a full and total disclosure, particularly for small and medium sized financial institutions. This is very important because it will have a direct bearing or it could have a direct bearing on the dividends being paid in the value of the shares and in the long run on the health of the financial institutions.

I think the argument in favour of full disclosure is an argument that was made in the States and a reasonable one many years ago. It is amazing that we will have this debate in 1991 in Canada and it looks as though we are going to have this debate perhaps 10 years from now when again the Bank Act is going to come up. Let us hope that somewhere in here some enlightenment and modern thinking will occur and that finally in Canada we will start having public disclosure of basically public institutions. These are public institutions so therefore the public, i.e. the shareholders, surely have the right to know.

It is quite amazing that this government cannot act on behalf of Canadians and on behalf of the shareholders. I find that irresponsible.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Ms. Catherine Callbeck (Malpeque) moved:

Motion No. 47

That Bill C-4 be amended in clause 329 by adding immediately after line 11 on page 168 the following:

"(3) A person who in good faith makes an oral or written communication under subsection (1) or (2) shall not be liable in any civil action arising therefrom."

She said: Mr. Speaker, I am moving this amendment today because it follows logically from one of the Liberal Party's objectives when we were dealing with this financial institution legislation, and that was to improve the soundness of Canadian financial institutions. It is an objective that we kept in mind when dealing with the various witnesses and briefs and presentations that came before the committee and certainly one that we are very concerned with when you consider what is going on south of the border.

This amendment prevents a lawsuit against anyone who gives information in good faith to an auditor of a financial institution. We feel that protection is important because a free flow of information to auditors helps make for sound accounting and actuarial principles and practices.

We feel that it is a protection that is needed because questionable accounting practices have been blamed in part for the failure of two western banks in 1985 and last year's failure of Ontario based Standard Trust. The Superintendent of Financial Institutions told the finance committee last November that improved accounting practices might have made a difference in the case of Standard Trust.

If an employee of a bank has information that he or she knows the auditor needs or would help the auditor to perform a proper audit, but that the trust company or bank would rather not disclose for various reasons, then that employee might be reluctant to come forward with the information and risk a lawsuit. However, if the employee does have information and he knows that he cannot be sued by the bank—he gives that information to an auditor in good faith; in other words, he is being honest and he is being very sincere—he is more than likely to come forward with it. This new information could result in a better audit, a better financial statement and a better chance for the superintendent to catch small problems before they become big ones that might bankrupt the institution.

I would urge the House to support this amendment because I feel it is in the best interest of the Canadian financial institutions.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I very much recognize the motives behind the member for Malpeque and I very much approve of what she has been saying.

The problem, though, is that I think the amendment is not necessary and presents a danger in society when we absolve people from civil liability for what they say.

Clause 329 of the bill says that employees, agents or servants of the company, officers, former directors and so on, shall provide information to the auditor if the auditor requests. The company, under subparagraph (b), shall provide information that the auditor requests. These are mandatory obligations on employees, officers, agents, directors and former directors of the company to provide information to the auditor.

When you are required under a statute to provide something you are required to provide it. If the auditor cannot get the information, his job is to go to the superintendent and demand the superintendent enforce that obligation as set out in the statute. But surely we ought not to go one step further as my friend would suggest and absolve people from any liability they might have in a civil action.

I do not want to go into the details or possibilities that one could imagine in a civil action. Surely you cannot be subject to a civil action if you are required by statute to supply something. But if you supply far beyond what you are required to do, if you do things that deliberately injure a company, then maybe you should be responsible for what you say and do and maybe you ought to be subject to civil liability in a civil action.

I think it goes too far to say that you can somehow slither out of your responsibility to be forthright and your responsibility to say what you want to say, by somehow being excused from civil liability and then able to plead: "I mean, sure I slandered them but I am excused". If what you are disclosing is what the auditor requests then you are okay. Surely a reading of the statute is that way. But to go on beyond that and allow people to escape liability for commercial slander, because they decided to go far beyond in their own view or disclose more than what was really required as a court may determine and to make statements that are damaging to a company because of a disclosure made on the request of an auditor, seems to us to be beyond what we ought to allow and beyond the protection we ought to give to people fulfilling their requirements under the statute.

• (1740)

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, I rise to speak in support of this amendment. As I read the amendment I compared it to the clause in the bill it is purporting to amend. The provisions in subclause 329(1) and subclause 329(2) talk about present or former directors, officers, employees or agents of the company and about the directors of the company.

It seems to me that this amendment provides much more surety so that when an employee reveals practices that are not consistent with the rules governing the operation of a financial institution, they cannot find themselves facing a civil suit because they did the right thing. They revealed to the Superintendent of Financial Institutions or to a member of Parliament or to the minister certain things that were not going correctly.

I think for example of Standard Trust. God knows we ought not have depended on Diane Frances with respect to Standard Trust, because a year before the bottom fell out of it she was touting Standard Trust as the best investment going. God knows she has poor financial judgment and she has poor political judgment, for that matter. She had poor economic judgment in suggesting to her readers that they ought to go out and invest in Standard Trust, in other words not having looked at the company thoroughly.

Suppose some employee of the company had revealed to an editor of a financial paper certain things that were going on in the company, certain bonuses being paid for going out and rustling up mortgages to mall contractors. Let us assume that that sort of thing was going on and that was revealed. I think this motion puts an onus on citizens to reveal things that are not right. In fact, if this government had any kind of courage at all, it would bring in whistle-blowing legislation that protects people in the Public Service. It took the PSAC organization to establish a telephone line where people can phone when they think things are being done that are not consistent with the rules established by Parliament.

It seems to me that the last time a fellow tried that in Canada Post he lost his job. As a matter of fact he had blown the whistle to a Tory and the Tory went out and fought the good fight for him. Then, lo and behold, the Liberal government was defeated and the Tory government came in and here was the post office under a Tory department and they kicked the guy out. There was one hell of a dust-up to get this guy back his job.

An hon. member: Watch that language.

Mr. Rodriguez: One dust-up for the guy to get his job back. It seems to me that this amendment puts an onus on citizens, people who work for financial institutions, that when they see something going wrong—and God knows we need it now—or something that is not in accordance with the rules, they ought to be able to blow the whistle and not be afraid of finding themselves facing a civil suit.

That has happened. That is one of the most effective ways companies have of shutting up their employees. That is one of the most effective ways of continuing this conspiracy of silence. I have to support this amendment.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to speak in favour of this amendment proposed by the member for Malpeque. Over the last decade I have made a number of attempts to get whistle-blowing legislation through this House without much success under either Liberal or Conservative regimes. Yet jurisdictions all over the world are adopting it because when one does any kind of a cost benefit analysis of the kinds of information one gets, one realizes pretty quickly, particularly in the field of health and safety, that there are enormous benefits to the public to having whistle-blowing legislation.

This proposed clause could be included on page 168. Let us take a look specifically at the section where it is to go. In the column it is described. First there is the auditor's examination, clause 328. Then the auditing standards, then right to information. I think this is what any shareholder or any member of the public would be interested in.

It says:

> On the request of the auditor of a company, the present or former directors, officers, employees or agents of the company shall to the extent that such persons are reasonably able to do so,
>
> (a) permit access to such records, assets and security held by the company or any entity in which the company has a substantial investment, and
>
> (b) provide such information and explanations
>
> as are, in the opinion of the auditor, necessary to enable the auditor to perform the duties of the auditor of the company.

It is pretty clear it is covering present and past directors, officers, employees or agents of the company. Then it goes to directors to provide information, an obvious consequential clause which says:

> (2) On the request of the auditor of a company, the directors of the company shall to the extent that they are reasonably able to do so,
>
> (a) obtain from the present or former directors, officers, employees and agents of any entity in which the company has a substantial investment the information and explanations that such persons are reasonably able to provide and that are, in the opinion of the auditor, necessary to enable the auditor to perform the duties of the auditor of the company; and
>
> (b) provide the auditor with the information and explanation so obtained.

The amendment proposed by the member for Malpeque says: "A person who in good faith makes an oral or written communication under subsections (1) or (2) shall not be liabled in any in any civil action arising therefrom".

As the member for Mississauga South or the minister or members on the government side would know, there is in the courts a broad range of definition in terms of good faith. Something cannot just be made up and given in written or oral form during an audit and suspect that if there is following litigation that you are going to somehow or other be protected because you are a nice person or you wear blue shoes. That does not fly. You have to be able to demonstrate that you provided that information in good faith and that you, in fact, thought the books were being cooked or something was being jigged or the widgets you were making were not being shipped. You need some foundation in reality in order to be able to use the good faith argument.

I think the member for Malpeque has quite properly brought this forward. It is not a broad based, whistle-blowing concept but it does provide, in a general sense, the kind of balance that one wants. You do not want an employee, for whatever reason, to say that because they did not get a raise or they did not get an appointment to something they wanted, they would then use the next available opportunity to be involved in some kind of scurrilous, under-handed, improper attack while an audit was going on. At the same time, you do not want to foreclose the likelihood that someone with valuable information, particularly as we watch what has gone on in the United States or in western Canada, for that matter.

Let us keep in mind what has been going on in a lot of financial institutions. Some of it is clearly tied to the Reagan deregulation policies that were implemented and created an enormous fiasco in the United States. We know what has caused some of the serious collapses in this country.

There are people, often at very junior levels in many financial institutions in positions of public trust who know there is something going wrong, whether it is simply in an area of bookkeeping or in an actual area of commodity or financial transfers. I think we need not just this wording but additional active areas of whistle-blowing to touch on pieces of legislation such as this in its broadest sense. We need to protect the person who gets his pay cheque, goes home, pays the rent, pays for the bike for the kid and pays for maybe a swimming lesson a month, pays for some clothes, pays for the groceries and then has nothing left. There is the prospect of being tied up in civil litigation and because of their economic income they might not be eligible for any kind of legal aid. They have to think: "Gosh, if I tell the auditor this and I get sued by Mr. X who does not like me very much anyway, I am going to end up with all of these additional costs, not only to have a lawyer, but what if I lose".

• (1750)

I do not think any longer at this point in the 20th century it is a sign of good government to simply bury this kind of wording and say: "Well, now, we just cannot have it". I listened with care to what the member for Mississauga had to say and I do not buy the argument.

I think anyone who has been around the courts, around whistle-blowing situations, as we all have been on the government or on the opposition benches, knows the kinds of pressures that Canadians operate under, particularly in financial institutions where you are constantly dealing. Think of the pressures on the prairies right now between people who work in financial institutions and farmers. Twenty-four thousand have lost their farms in the last 12 months. Two a day are going into financial institutions absolutely, totally gone. They have lost their homes, their tractors, their machinery, their cars, their dreams. They have lost everything.

Within those financial institutions there are all of these other pressures that are constantly there. Without this kind of wording, all that it is is a protective shield. It is not a wall. It certainly would not protect anyone who for ill purposes or ill reasons provided inaccurate, improper or false information. What this does, and it has a good foundation in common law in this country and under British common law, is provide some kind of protection.

One can only continue to wonder out loud during debates such as this why the government would not want to have that in there. Why does it not want it in there? It is just one more unnecessary piece of protection for the very wealthy, the elite, the bankers and the super rich. Why is there always special protection for those who already can afford to hire a lawyer, another accountant or another auditor.

But no, the government says: "No. We have to give them one more kind of protection, one more coat of veneer to make sure that they can never be caught up, whether they have been doing things properly or improperly, legally or illegally". What the intention of this clause is, and I stand to be corrected by the member for Malpeque if I am wrong, is where there are situations where there may well have been wrongdoing is to open that window so that a little bit of fresh air can come in and that person directly or indirectly involved with the information would say to themselves: "I know I am right. I studied those records. I helped produce those records. I dealt with that farm foreclosure. I know what is going on. What I have been seeing in the papers and hearing around here is not what really went on in that branch. I am going to go to the auditor in good faith as is provided".

We have the auditing standards, the auditor's examination, right to information and directors to provide information. Why should it not go that one extra step to where I consider the mother lode of accurate information to be, which is among the employees at the lower end, not at the $100,000, $300,000, $500,000 salary level where they do not do any of the direct monkey wrenching. They are the ones who know. They deal with the $10, $100, $1,000 transactions. They are the ones who know because they see the roots. If there is some kind of funny business going on, that is where we need to be able to follow the trail.

I think it is incredibly short-sighted and narrow minded for the government not to agree to support Motion No. 47.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I too wish to join in the debate on this amendment and congratulate the Liberal Party for introducing a good amendment. I am glad to see, despite the stance that they have taken on some other very worth-while amendments, that they have come forward with something that I can support.

Certainly when one discusses financial institutions, banks, life insurance companies, trusts and so forth, one sees the true colours of the political parties being revealed. One sees the Tories standing up and protecting the interest of private wealth and private capital to quite an extent. As my colleague from Skeena has pointed out, why do you give this extra piece of protection to the very wealthy, the people who can hire their own lawyers? They do not need this extra piece of protection. The government, darn it, when it comes to the wealthy is going to give them every break possible.

The opposition to this amendment I do not quite understand. Let us step back and see what the government is doing. It is collapsing the pillars. It is bringing in a new regime in which banks can sell life insurance companies, trust companies can be controlled by banks, commercial interests can control deposit taking institutions. It is all going to be one. It recognizes that there is a possibility of conflict of interest here between the life insurance part and the casualty insurance part and the mortgage part, and so forth, and there might be possibilities of conflict between the commercial part and the deposit taking part. The government is setting up and is going to have to set up a regulatory regime. In remarks I made earlier this afternoon, I expressed my grave concern of how a neo-Conservative government can really set up a proper regulatory regime to make certain that there will not be conflicts of interest.

The Tory rhetoric very often is: we need self-regulation, let them be self-regulatory and let the industry regulate itself. If they were really sincere about that, the best way to ensure some form of self-regulation would be to accept the amendment that is being proposed today. It would make it easier to remove the type of pressure, the type of blackmail fear that the large financial institutions can place on a lowly clerk such as the fear of having to face in court, with all of its expenses, some charge that some hot shot lawyer in Toronto in one of these huge towers in the bank zone is going to bring to bear on that little individual. That lowly individual can see that there is a conflict occurring and knows that the person who is giving the mortgages is unofficially insisting that a certain life insurance policy and mortgage insurance policy be purchased. The lowly little clerk has to run up the numbers and enter it all into computer and begins to see some correlation between the commercial interests and the interests of the deposit taking institution. To allow that individual to alert the proper authorities that something wrong is happening would be a tremendous arm in the process of self-regulation. It would ensure, where wrongdoings occur, that they can brought to the attention of the enforcers of the regulations.

I have grave doubts about whether you are going to have a big enough army of bank regulators to ensure that in Strasbourg, Saskatchewan, at the Royal Bank of Canada, for example, the person issuing the mortgage is not going to also insist, or sort of insist—it does not have to be done officially—that if you want your mortgage "we do have this good insurance policy here". No bank regulator is going to be able to sit down and have a cup of coffee with the person selling the insurance and the person dealing with the mortgages. The lowly little teller might begin to pick up on the fact that certain requirements in reality are being enforced here: if you want that mortgage you have to take out this particular insurance policy.

• (1800)

I think it is essential to allow that lonely little teller to blow the whistle. They cannot blow the whistle with no protection. They are intimidated. Only a very few and very brave will blow the whistle on wrongdoing.

If they are given some protection, as this amendment begins to do, then I think those in the banking industry, the life insurance or the trust industry will think twice. In fact, they might even be a little stricter with their employees in saying: "Look, let's make certain we have no tight selling here". They will never know whether the little lonely clerk might not one day say: "Hey, this is too much. This is wrong. I am going to blow the whistle on this".

That is the type of regulation we need and therefore, Mr. Speaker, I urge the government to support this amendment.

Mr. Blenkarn: Mr. Speaker, on a point of order, in the normal course of consultation and the excellent representations made by members of the New Democratic Party and members of the Liberal Party, including my friend from Malpeque, I have spoken to my friend from Malpeque and suggested that if in Motion No. 47 we eliminate the word "therefrom" at the end of that motion and add "from making the communication", we believe that the motion could be supported all around. It would be a worth-while addition to the bill.

On the same point of order, Mr. Speaker, there is some sense in the arguments presented and it would seem to me on that basis the motion would then read:

> "(3) A person who in good faith makes an oral or written communication under subsections (1) or (2) shall not be liable in any civil action arising from having made the communication."

I do not have the material in writing at this point but I believe it is about six o'clock, Mr. Speaker. May I call it six o'clock? Perhaps the paperwork could be organized to present the amendment tomorrow as we continue the debate on this clause.

Mr. Rodriguez: Mr. Speaker, on a point of order, could I suggest to the member for Mississauga South "any civil action arising from such communication"?

[*Translation*]

The Acting Speaker (Mr. DeBlois): The Chair has taken notice of these suggestions, and possibly, after a good night's sleep, we may come up with an even better solution.

[*English*]

YOUNG OFFENDERS ACT AND THE CRIMINAL CODE

MEASURE TO AMEND

The House resumed from Thursday, November 21, consideration of the motion of Ms. Campbell (Vancouver Centre) that Bill C-12, an act to amend the Young Offenders Act and the Criminal Code, be read the third time and passed.

The Acting Speaker (Mr. DeBlois): It being six o'clock p.m., pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred division on the motion at third reading stage.

Call in the members.

The House divided on the motion, which was agreed to on the following division:

(*Division No. 62*)

YEAS

Members

Anderson	Andre
Atkinson	Beatty
Belsher	Bernier
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Bosley	Bourgault
Boyer	Brightwell
Browes	Cadieux
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Clark (Brandon—Souris)	Clifford
Cole	Collins
Cooper	Corbett
Côté	Couture
Darling	de Cotret
Desjardins	Dobbie
Domm	Dorin
Duplessis	Edwards
Fee	Feltham
Ferland	Fontaine
Fretz	Friesen
Greene	Grey (Beaver River)
Guilbault	Gustafson
Halliday	Harvey (Chicoutimi)
Hawkes	Hicks
Hogue	Horner
Hudon	Hughes
Jacques	James
Jelinek	Johnson
Joncas	Kempling
Kindy	Koury
Landry	Langlois
Larrivée	Layton
Lewis	Littlechild
Loiselle	Lopez
MacDonald (Rosedale)	MacDougall (Timiskaming)
MacKay	Malone

Martin (Lincoln)
McCreath
Merrithew
Monteith
Oberle
Plourde
Redway
Reimer
Richardson
Roy–Arcelin
Shields
Sobeski
Sparrow
Tardif
Thompson
Tremblay (Québec–Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Weiner
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Mazankowski
McDermid
Mitges
Moore
O'Kurley
Pronovost
Reid
Ricard
Robitaille
Saint–Julien
Siddon
Soetens
Stevenson
Têtreault
Thorkelson
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Wenman
Wilbee
Worthy—121

NAYS

Members

Allmand
Angus
Baker
Berger
Blaikie
Brewin
Caccia
Catterall
de Jong
Duhamel
Fisher
Fontana
Funk
Gardiner
Anawak
Arseneault
Bellemare
Blackburn (Brant)
Breaugh
Butland
Callbeck
Clancy
Dingwall
Finestone
Flis
Fulton
Gagliano
Gauthier
Gray (Windsor West)
Hopkins
Karpoff
Kilger (Stormont—Dundas)
Kristiansen
Laporte
MacDonald (Dartmouth)
Manley
McCurdy
Mifflin
Nault
Parker
Prud'homme
Robinson
Simmons
Skelly (Comox—Alberni)
Stupich
Walker
Whittaker
Harvey (Edmonton East)
Jordan
Keyes
Kilgour (Edmonton Southeast)
Langdon (Essex—Windsor)
MacAulay
MacLellan
Marleau
McGuire
Mills
Pagtakhan
Phinney
Riis
Rodriguez
Skelly (North Island—Powell River)
Stewart
Taylor
Wappel
Young (Beaches —Woodbine)—66

PAIRED MEMBERS

Nil/Aucun

[*Translation*]

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

Motion agreed to, bill read the third time and passed.

The Acting Speaker (Mr. DeBlois): It being 6.30 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

The House adjourned at 6.27 p.m.

HOUSE OF COMMONS

Tuesday, November 26, 1991

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

BILL C-39

REPORT OF LEGISLATIVE COMMITTEE

Mr. Allan Koury (Hochelaga—Maisonneuve): Mr. Speaker, I have the honour to present, in both official languages, the report of Legislative Committee B on Bill C-39, an act to amend the Canada Pension Plan, the Family Allowances Act and the Old Age Security Act, without amendment.

[*Editor's Note: See today's Votes and Proceedings.*]

* * *

[*English*]

PETITIONS

AGRICULTURE

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I have the honour and the privilege under Standing Order 36 to present a petition signed by a number of grain and oilseed producers in Canada who are experiencing severe shortages of cash flow because of the present prices for agricultural commodities.

Your petitioners ask this House to convince the government to provide immediate assistance for these cash-strapped farmers.

WATER DIVERSION

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I have the pleasure and the duty to present a petition to the House today. It is a very important petition. It is signed by residents primarily from the central interior of British Columbia and it is regarding water diversion projects. They call upon Parliament to urge the government to state categorically that it will not permit our freshwater rivers to be dammed and diverted into the U.S.A. and to state that our Canadian rivers are not for sale.

[*Translation*]

CANADA LABOUR CODE

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, I have the honour to present a petition from people in Malartic, La Motte, Saint-Mathieu, Rivière-Héva, Cadillac and Dubuisson in Abitibi who say that preventive withdrawal for pregnant women is a necessary and desirable option for working women.

For these reasons, they ask Parliament, when it reviews the Canada Labour Code, to consider seriously the deficiencies in it and to recognize the need to include in the Code clauses concerning preventive withdrawal for pregnant women, with pay.

[*English*]

AGRICULTURE

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, it is my pleasure today to rise and present a petition signed by many Canadian farmers. They state that grain and oilseed producers are experiencing the most severe shortage of cash flow in the history of the industry.

They call on the Government of Canada and they humbly pray that it will see fit to provide more assistance to them in their severe problems.

Mr. Rex Crawford (Kent): Mr. Speaker, once again I am honoured to rise in the House pursuant to Standing Order 36 and present a petition on behalf of farmers from western Ontario. They state that the Government of Canada has failed to provide sufficient cash flow assistance to farmers during the transition from the old *ad hoc* programs to the new safety net programs in order that farmers may meet their financial obligations and preserve the family farm. The undersigned petitioners humbly pray and call upon Parliament to urge the government to provide such assistance as proposed by

the House of Commons Standing Committee on Agriculture on August 29, 1991.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I ask that all questions be allowed to stand.

The Acting Speaker (Mr. DeBlois): Shall all questions stand?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

TRUST AND LOAN COMPANIES ACT

MEASURE TO ENACT

The House resumed from Monday, November 25, consideration of Bill C–4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, as reported (with amendments) from the Standing Committee on Finance; and the motion of Ms. Callbeck (p. 5309).

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, when we adjourned yesterday we were in the process of dealing with an amendment by my good colleague from Malpeque in connection with clause 329 of the bill.

We have examined very closely the amendment of the member for Malpeque and find that the French version of her amendment is quite satisfactory, but the English version needs a slight change in connotation. I have circulated to my friend and to you, Sir, a copy of that English version. I believe there would probably be agreement of the House that the amendment I am producing be accepted and with that acceptance that the government would be prepared to support the amendment produced by my colleague from Malpeque.

The Acting Speaker (Mr. DeBlois): The House has heard the motion tabled by the hon. member for Mississauga South. Is there unanimous consent to agree to that motion?

Some hon. members: Agreed.

Amendment (Mr. Blenkarn) agreed to.

• (1020)

The Acting Speaker (Mr. DeBlois): Is the House ready for the question on Motion No. 47?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion, as amended?

Some hon. members: Agreed.

Motion No. 47, as amended, agreed to.

The Acting Speaker (Mr. DeBlois): Motions Nos. 41A and 46A are grouped for debate.

[*Translation*]

Hon. Monique Vézina (for the President of the Treasury Board and Minister of State (Finance)) moved:

Motion No. 41A.

That Bill C–4 be amended in Clause 313 by striking out line 38 on page 160 and substituting the following:

"accounting principles, the primary source of which is the Handbook of the Canadian Institute of Chartered Accountants."

Motion No. 46A.

That Bill C–4 be amended in Clause 328 by striking out line 29 on page 167 and substituting the following:

"auditing standards, the primary source of which is the Handbook of the Canadian Institute of Chartered Accountants."

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the legislation in this place is also legislation in the other place.

Over the past two or three weeks the other place has been considering the bills now before the House. The other place has made some suggestion that is contained in Motions Nos. 41A and 46A on the Order Paper.

That suggestion is that the House include in the analysis of accounting practice the handbook of the

Canadian Institute of Chartered Accountants that is published with respect to what is good accounting practice.

The government is prepared to accept that. The government believes that that only adds certainty to what is good accounting practice. It certifies that class of action and we think it is not a bad idea to do that.

We are quite in agreement with the suggestion from the other place. I think that should meet the satisfaction of the House.

I move that the amendments be proceeded with.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I, too, would agree with the hon. member from Mississauga.

I think it is an amendment which will improve the legislation. Therefore I will vote for the motion.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we have no problems with those two motions.

As a matter of fact I am glad to see that they are using the handbook of the Canadian Institute of Chartered Accountants as a standard. I trust that they will also be open to some of the suggestions from the institute with respect to making the system even safer.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The vote on Motion No. 41A will apply to Motion No. 46A.

Is it the pleasure of the House to adopt Motion No. 41A?

Some hon. members: Agreed.

Motion No. 41A agreed to.

[*Translation*]

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 42A.

That Bill C-4 be amended in Clause 319 by striking out line 41 at page 162 and substituting the following therefor:

"ling annual meeting, appoint two auditors, who shall be independent of each other, to".

[*English*]

He said: Mr. Speaker, the purpose of this amendment is to require that financial institutions appoint two auditors rather than a single auditor.

At present the Bank Act requires two auditors. Other financial institutions have one auditor. It was amazing that while we were in committee the government and the Official Opposition even changed the requirement of two auditors for a bank to one auditor for a bank. The banks wanted to have two auditors. I think it is safe to say that. They wanted that extended to some of these other financial institutions. In fact now more than ever, when all of these changes are completed, we have all of this commingling, this intermingling where banks can own trust companies, where banks can own insurance companies, insurance companies can own trust companies. When you have all of this,—

An hon. member: Cannibalism.

Mr. Rodriguez: —this cannibalism, and that is a good word to describe it, when we have had all of this feeding frenzy, the situation will become even more complex. I am afraid, as much as I have a lot of faith in the regulatory agency, OSFI, I want to say that OSFI is incapable of doing an audit on these.

OSFI depends on the auditors' reports. In 1980, the Economic Council of Canada found that there were external and internal factors for the failures. The dominant ones were the internal factors. These all have to do with questionable loan practices. Questionable practices were also discovered whereby managers attempted to secure gains for themselves at the expense of depositors and investors.

OSFI depends on these internal and external auditor's reports. I want to quote Michael Mackenzie's evidence before the committee when we were looking at Standard Trust. Michael Mackenzie is the Superintendent of Financial Institutions.

Mr. Mackenzie said, and I quote him, and this was in his evidence before the Standing Committee on Finance on June 13, 1991:

> We said we relied on these financial statements that you audit as primary evidence of the financial soundness of the company. In that context, if there are conditions or transactions that you know will effectively threaten the solvency of the company, your duty is to tell the management and tell us at the same time. If you see transactions that are beyond the powers of the company, you are to do the same.
>
> Then we went on to state that we wanted to review their working papers so we established a framework of reliance here that did not exist before. To me in this case we had put the auditors on notice. We relied on them to do the loan examination at that time. If for example there were these undue loan concentrations and so forth, there is a sense in which if they are infracting the Ontario or the federal act's lines or

rules on asset concentrations, we would have expected them to report to management and to report to us at the same time.

The point I am trying to make there and that Mr. Mackenzie makes is that it shows how dependent OSFI is on the auditors' reports.

• (1030)

OSFI does not do on sight auditing of all the financial institutions in the country. They depend on these reports.

When the Canadian Institute of Chartered Accountants came before us, it recommended two auditors. We support the audit appointment provisions for banks set out in Bill C-19 which (a) provide for dual auditors to be appointed for large banks, (b) provide for a minimum threshold to determine which banks must appoint dual auditors and (c) do not require banks to rotate auditors.

They go on to point out in the brief that major banks are an essential part of the Canadian economy and it is essential to maintain widespread confidence in the economy.

The banking industry is highly concentrated. A few very large institutions account for a very large part of commercial lending. The effectiveness of the auditing system is therefore particularly important to the positive confidence upon which the the continued functioning of Canadian capital markets ultimately rests. A reservation in the auditor's report, whereby a disagreement with the bank would be made public, could damage the confidence of depositors and in extreme cases could cause a run on the banks. Auditors may therefore be perceived as extremely hesitant to express a reservation of opinion.

The importance of auditors at the present moment in a highly concentrated banking system is ultimately important. Imagine how much more concentrated it is going to get when all of these bills get passed. Already you see the urge to merge. You see trust companies looking for partners. Insurance companies are buying out trust companies.

It seems to me that there is a need to protect the interests of the depositors and dual auditors is a requirement.

We all remember the collapse of the CCB and the Northland Bank. At that time the Hon. Willard S. Estey was appointed commissioner to look into the failure of those two banks. His recommendation No. 20 is particularly important. This is what Justice Estey recommended.

It is recommended that no change be made to the dual auditor system as provided by Section 2(37) of the Bank Act.

We have ample evidence that the two auditor system provides safety and assurance to depositors. What did the Liberals and the Conservatives do in the committee? Not only did they increase the amount of external auditing in the financial institutions, they simply said to the banks: "You do not have to give two auditor reports anymore, only one." They wish to reduce the auditors to one. I cannot understand it. I find it very very incomprehensible that these bills are going to allow a complete restructuring of financial institutions.

I suggest that we are not going to have myriads of financial institutions across the country anymore. We will have a smaller number of very large banks, financial institutions, whose primary aim is to compete globally. That is all I hear from the Conservatives in the government. "We have to be global competitors." Now I am starting to hear it from the Liberals who since last weekend have discovered global competition.

That is where Bills C-4, C-19, C-28 and C-34 are taking financial institution structure in this country. They are reducing financial institutions to a very small number where competition will not be introverted but extroverted. In other words, we are going to have to depend on the American Expresses of this world to provide Canadians at home with the competition. We are going to depend on financial institutions outside of Canada to come in here and provide the competition. The competition will not be generated from within the country.

In the midst of this we have had problems with financial institutions such as Standard Trust and Principal Trust which I understand were in the provincial jurisdiction. It cost the Canada Deposit Insurance, which is the Canadian taxpayer, some $200 million to $300 million to bail out Standard Trust depositors. We keep picking up the pieces.

There is no doubt that the amount of money which has come out of taxpayers' pockets to support the deposit insurance for trust companies and banks that have failed is about equal between banks and trust and loan companies. In the last dozen years there have been only a couple of large banks in the west that have failed. What we paid out through the deposit insurance for those two banks was equalled by all the trust and loans companies that have gone under.

Since the regulator depends on the audits of financial institutions, it does not seem fair to depositors and the taxpayers of Canada that this is the time to be easing up on the brake. It seems to me the argument I am making is for more scrutiny, not less scrutiny. That is one of the ways that we have been able to keep confidence in the system.

I am prepared to state, because I have stated it previously many times, the Canadian banking system has a lot of integrity in Canada and in the world. The Canadian banks that have been developed with the regulatory systems we have in place are some of the safest financial institutions in the world.

If we look at the Japanese banks, the German banks and the American banks, for God's sake, Canadian banks are far superior. We have been able to regulate them and because we have had the brakes on, they have been able to develop and grow.

The member for Mississauga South should take cognizance of this amendment and reverse the mistake he made in the committee of reducing dual auditors in banks to one. Let us extend the dual auditor system to the financial institutions across the country.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I want to thank the hon. member for Nickel Belt for his concern. There is no question that the system depends on auditors, it depends on actuaries and it depends on top quality reporting. That is the reason this bill and the other bills that will follow deal very extensively with the duties of auditors, the requirement to report, the requirement to certify and all of those requirements that are there.

The question is: Would two be better than one?

I have the advantage of having been around this matter for a long time. In the spring of 1985 the finance committee conducted a major study into the problems of the refinancing of the Canadian Commercial Bank. I remember very clearly a situation where we had a representative from the Clarkson company and a representative from Peat Marwick and company before us. When we got into the issue of what happened, one auditor looked at the other and said: "Well, Alphonse, weren't you going to do that?" The other one said: "That was your responsibility".

This business of having two auditors and saying two is better than one is like saying that two drivers to steer a car is better than one. It is such nonsense. The fact is that we need to have one person responsible as the auditor, one firm responsible. Let us make sure that firm has responsibilities, let us make sure that firm does its work right, but let us not try to say that if you have two you are going to be better off. As a practical matter, you are not.

• (1040)

What we have right now is a rotating system where an auditing firm, under the banks anyway, works for a very short period of time, a year, and then is off the case. The problem is that it takes a length of time for a firm to really get a grip on the intricacies of the internal accounting system.

It is my view and the view of the government that we have been allowing things to slip for too long by pretending to rely on two auditors when in fact there is very little protection that way at all. Indeed, you really need to have one who is responsible and you have to make sure that you can pin the responsibility on that one firm.

The arbitrage that goes on right now where there are situations of two auditors is not acceptable.

I understand some members of the Canadian Institute of Chartered Accountants would like us to expand their work. I understand things are tough today out in the field and the more work you can get the better and the more retainers you can get the better and that would be fine. I suppose that is a good way of feather-bedding, if you want to put it that way.

I am surprised at my friend from Nickel Belt wanting to sponsor that feather-bedding. I am surprised he does not realize just how much better off we are with one auditor than two. That is the reason why the finance committee suggested for Bill C-19, which will follow, the one auditor and that is, of course, the reason why we

ought to remain in the one-auditor context in terms of trust companies and insurance companies.

May I point out that we have operated well with one auditor. Canada Trust is certainly larger than some of our banks, perhaps larger than the Canadian National Bank. I must say that there is no real merit in saying one will not do because one does well and does very well and that is the way we ought to keep it. We ought to keep the situation where we have one auditor responsible, one auditor subject to the very detailed requirements that this bill and the companion bills require and impose upon that auditing firm.

While we believe that we ought to follow through with the Canadian Institute of Chartered Accountants handbook as a method of standard, we believe that standard is best enforced when you make one person, one firm, responsible for the work. When you have one person responsible then you know where to put the blame if there is a problem. When you wind up with that problem defused it is after you, Alphonse, and we have had enough of after you, Alphonses.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, amendment 42A. which states that trust companies should have two auditors was actually discussed in the finance committee. This amendment that we have before us this morning actually contradicts the decision that was made in the finance committee which would allow a trust company to choose whether it needed one auditor or two.

Under the existing legislation, trust companies have one auditor. The Superintendent of Financial Institutions and the finance committee, as I mentioned a minute ago, felt that there was no obvious reason why we should require trust companies to have two auditors. In fact, as the hon. member for Mississauga has stated, and it was also indicated in the finance committee, there is a possibility if you have two that one auditor could believe that the other auditor was doing something that he is not and things could get missed. The hon. member for Nickel Belt mentioned the Estey inquiry which looked into the failure of the Canadian Bank and the Northland Bank. I want to remind him that Mr. Estey stated in that inquiry that the auditor system of having two auditors would not have made any difference at all to these two banks. Why would chartered banks want to have two auditors. That makes work. We also have to remember that auditors cost money and really, who is going to end up paying the price tag? It is the customer or the trust company.

If I felt that it was absolutely necessary that a trust company should have two auditors, then certainly I would vote for this amendment. Obviously, from what we heard in the finance committee, and as I said, the Superintendent of Financial Institutions does not see any reason for this, I do not see any reason why we should inflict this cost on the Canadian public. If it is an unnecessary cost, why make the trust company customers pay for it?

I repeat, this was brought up in the finance committee. We voted against it. The Superintendent of Financial Institutions does not see any reason for it so, therefore, I will be voting against it.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(a), a recorded division on the motion stands deferred.

Motions Nos. 58 and 60 standing in the name of the hon. member for Nickel Belt are grouped for debate.

[*Translation*]

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 58.

That Bill C-4 be amended in Clause 416 by striking out line 31 at page 214 and substituting the following therefor:

"(2) Except as permitted in the Act or the regulations, a company shall not act in Canada as".

Motion No. 60.

That Bill C-4 be amended in Clause 416 by adding immediately after line 42 at page 214 the following:

"(4) A company may, with the prior consent of a customer, provide an insurance company, agent or broker with information respecting the customer.

(5) A consent given pursuant to subsection (4) shall be contained in a separate document that deals only with subject matter of the consent."

[*English*]

He said: Mr. Speaker, Motion No. 58 would allow the regulations to permit companies to engage in certain activities of an insurance agent or to provide space in a branch to a person engaged in the placing of insurance.

• (1050)

I want to just briefly repeat the position we have taken with respect to the whole deregulation of the financial institutions scene as envisaged in these bills.

We have said that insurance companies ought to do things that are related to insurance companies; banks, things that are related to banking; trust and loan companies, things that are of a fiduciary nature related to trust and loan companies. This is the position we have taken. We therefore have no objection to a bank marketing insurance through its branches. We have no problem with that, but we have real concerns. We oppose banks owning insurance companies because we see the breakdown of the system and a concentration of economic power in a few hands. That is a concern. The one fallout from that is the consumer. We have argued that banks ought to be allowed to market insurance through their branches.

Many of the insurance companies which appeared before the finance committee said: "Oh, no, you cannot allow that at all. You cannot allow that because if you allow them to market insurance they are going to twist the arms of the consumer, they are going to tight sell, and a whole host of other nasty things". As it turns out many of those large insurance companies which came before the finance committee own financial institutions, trust companies, in Europe. Lo and behold, guess what they do in Europe? Those financial institutions that are owned by the insurance companies here in Canada market insurance through their branches. The question was put to them: Do those financial institutions that you own in Europe use all of these nasty practices: tight selling, arm twisting, and a whole host of other things, to get the consumer to buy your insurance products? Of course not. They do not do it. They do not do it at all.

An hon. member: So they say.

Mr. Rodriguez: Yes. We pointed out, Mr. Speaker, that in fact there is evidence, contrary to what the Liberal critic said yesterday, there were studies done in the United States which show in fact that this marketing of insurance through financial institution branches brings down the cost of insurance.

It was interesting after that that those hearings received publicity. I received a letter on April 24, 1991. The member from Mississauga South would be interested because this is a gentleman who has an insurance brokerage in Mississauga. He writes to me, "Dear Mr. Rodriguez", and he goes through the issues, and he says: "The comments about over-priced policies and dividends is a potshot of McLeod's at Mutual, which pays dividends on its policies". He is talking here about Professor McLeod, who appeared before the finance committee and was very critical of the insurance companies. "McLeod correctly points out that the dividends on return of an overpayment of premium and that is why they are not taxed.

Mutual Life is owned by the policyholders, not by shareholders. This means that for practical purposes management does not have to answer to anyone. For example, Mutual Life recently changed agents over to level commissions. They are to receive 20 per cent for life of new premium sales. Under the old system they received 80 per cent in year one, 20 per cent in year two and 5 per cent thereafter. The agents complained that the combination of the old renewals and the new level commissions would put them below a living income. Mutual solved the problem by agreeing to pay the new commission on the existing business too. This means the old business is being charged for commissions twice". Is that not marvellous? As a salesman I would love to get paid twice on my book of business. "However the owners of the insurance companies would object to cost". Mutual Life has no owners to complain.

Fourth, on the subject of competition, I enclose a partial listing of the companies in Canada. I assure the House that there are a fair number I had never heard of until I read this list. Many of these companies were created for specific limited purposes and not for general

sales to the public. Many are not active outside their province or head office.

There are, however, still lots of insurance companies available to the public. Unfortunately the public does not shop around for life insurance. If it did, as we can see by the survey there are some companies that should get very little business.

Members of the public do not shop around. They buy from the company agent who approaches them. The agents of the big companies that represent about 80 per cent of the market have contracts which specifically prohibit them from recommending the insurance of any company other than their own.

The banks would add a new level of competition in that they would write business for which they may have gone to a life company agent.

The lack of real competition, however, is contributable to the domination of the industry by the few large companies that field their own exclusive agents. While I have nothing against companies fielding exclusive agents, I do resent their success and stifling competition.

For example, in Ontario which is probably the largest market in Canada brokerage is specifically prohibited, that is in Ontario an agent is not allowed to represent more than one company except for the Insurance Act which he enclosed a copy of. He goes on to say that if the banks sell the companies they own not much would change in this picture. The clients still would not be shopping around and the seller would be selling for only one company. This may be what MacLeod was referring to when he said that he could see no advantage to the consumer of banks owning insurance companies.

He said: "Personally I think the public could only gain if the banks worked as agent brokers. They could then compete on insurance costs as they do on loan rates. Would this require a change in the provincial laws that prohibit or restrict brokerage? The public would benefit if there was a lot more activity pushing inexpensive term insurance. Bank clerks could be trained to sell a lot of this type of insurance. Canadians, in my opinion, are over premium and under-insured".

That is Jim Bulloch. He has an insurance brokerage in Mississauga. There is an informed opinion of what goes on in the industry. It is one that makes the argument for the banks to market insurance.

I was just reading an article in *The Financial Post* the other day that makes the same argument in a different way. It points out, for example, that Sun Life Assurance of Canada has integrated its Sun Life Trust branches with its insurance operations. This allows the insurance agents to provide trust services to clients and permits clients to buy GICs and arrange mortgages over the telephone.

That is one of the other arguments we heard, that bank clerks are not trained to sell insurance. We have a whole pile of insurance agents out there on the telephone and in person selling financial products. They sell RRSPs, annuities, GICs, and now they are selling mortgages over the telephone. What is the point? What is this argument for training?

We have taken this position that the banks ought to be able to market insurance through their branches. They should not be allowed to own the insurance companies.

Turning to my other motion, Motion No. 60, even if the government gets its way and separates the insurance operation from the bank operation and if the bank owns an insurance company and has a separate operation, it is forbidding the bank, even with the customer's approval, to send information to the insurance subsidiary of the bank. My Motion No. 60 says on matters relating to insurance that with the customer's signed approval that information ought to be passed on to the bank's subsidiary. It seems to me that makes some sense.

I go into a branch where I do all my banking and I want to get insurance. The bank manager says: "I am sorry, I cannot talk to you about that. You will have to go to the directory and see where our branch is located and go over there and talk to them". I have to go there and give them all the information that I have given to the bank with respect to the insurance purchase.

• (1100)

It seems to me that my amendment would give the right to the customer. The right rests with the customer. If the customer wants the information to be passed on to the bank's subsidiary for insurance then he ought to be able to sign that and that information ought to go over to the subsidiary. It seems to me that is even proposed by

the owner of one of the largest insurance companies. Power Corporation has recommended that and it owns Great West Life. It seems to me that it has also recommended that the customer should have the right to authorize the bank to send the information to the insurance subsidiary.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, it is the principle of the bill that insurance companies do insurance, trust companies do trust work, and banks do banking work. If trust companies want to be involved in insurance work they have to own an insurance company, and the same applies with the other organizations.

The reason for that is to make sure that we keep a separate way of handling each of the separate and distinct pillars of financial intermediation.

My friend has some idea that he can reverse that, that he could have everybody doing everybody's work but the ownership separate. We have discussed this for a long time. I am sure the House will realize that from what my friend had to say in debate. The issue has been well thought out, well debated over a long period of time.

I know my friend has been reading letters from very important and valued constituents in Mississauga. I guess the organizations that he and others belong to have had a number of conferences and a number of meetings and have gone over and discussed this. People involved in consumer affairs have gone through this issue. This has been a matter that has been worked out over a long period of time. Indeed it was the original suggestion of the finance committee in our 1985 report that the ownership be the way it is in the thrust of these bills but that strong walls be there to prevent intermingling of activity without the licence to do it.

We have a situation here which we have had for some considerable period of time. We want to continue with the situation that trust companies will not use their offices to sell or deal or advise on insurance. If a trust company wants to be involved in insurance or be related to an insurance company then it can cause to be incorporated a company or buy a company and have a separate company for the insurance operation.

The same applies with respect to trust operations and the like. If it is desirable to have some of the same personnel involved, that is a question of licensing personnel, but the offices have to be kept separate and the businesses policed separately.

The effect of what we want to see happen is the way these bills are organized. We believe that is in the best interest of the public generally. There may be argument, and my friend has presented his argument and there are people who would support my friend's argument, but the vast preponderance of people involved who know anything about this matter of intermediation and people concerned about the public interest accept and believe the way it is being proposed in these bills is the way that we ought to go.

It is with great regret, I must say, that we cannot at all support these amendments.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, on Motion No. 58 regarding the amendment that a trust should be able to act as an agent, this amendment was already dealt with in the finance committee and it was defeated. I do not see any reason for this amendment. We do not believe that trust companies should be able to sell all types of insurance.

The current trust legislation allow trusts to act as an agent for their customers in certain insurance transactions. For example, if you are going on a trip and you want travel insurance, you can go into your trust company and get it; the trust company can act as an agent. The finance department is on record as saying that trusts will be able to continue to do this under Bill C–4. Therefore, I do not see any reason for that amendment and we will be voting against it.

With regard to Motion No. 60, respecting the passage of information to insurance companies with the customer's consent, here again I am speaking against this amendment. We do not believe that trust companies should be able to sell all types of insurance. This would violate that ban. What would happen is that banks with their massive data bases would pass on to insurance companies huge lists of their customers that they could then use for target marketing. While a qualified insurance representative would be making the sale, the enormous resources the bank would have could easily lead to unequal competition and major disruptions in the industry.

For those reasons we will be voting against these amendments.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 58. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

The next question is on Motion No. 60. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

[*Translation*]

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion is deferred.

Ms. Catherine Callbeck (Malpeque) moved:

Motion No. 68.

That Bill C-4 be amended by adding immediately after line 16 at page 227 the following new clause:

"444. (1) A company must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

(2) Subsection (1) does not apply to words or forms of documents that are prescribed by law.

(3) Subsection (2) does not apply to contracts, applications for financial services and related documents where the price of the financial service or the total liability assumed or to be assumed by the customer exceeds two hundred and fifty thousand dollars.

(4) Proof that reasonable efforts have been made by the company to comply and maintain compliance with subsection (1) is a complete defence (*a*) in a prosecution under subsection (1), or (*b*) in a dispute about whether subsection (1) has been complied with.

(5) The failure of a company to comply with subsection (1) does not affect the enforceability of any document referred to therein and may not be asserted by a customer or a company as a defence in an action or proceeding based on a document referred to in subsection (1).

(6) As used in this section "customer" includes a natural person who is a guarantor or provides security to a company.

(7) Subsections (1), (2), (3), (4), (5) and (6) shall come into force on the day which is two years after the coming into force of section 1 of this Act."

• (1110)

[*English*]

—Mr. Speaker, I am pleased to propose this amendment which is an amendment entitled "plain language". It requires trust companies to put into plain language various documents used by customers.

I am sure that from time to time you probably have had the experience where you looked at a document of a trust company and found that not only is it very difficult to read because it is in very fine print but also it has a lot of legal terminology.

I am proposing this amendment because I feel it is important that customers are able to read a document and understand what it is. Therefore it focuses on the needs of the reader or the consumer. It involves using short sentences and everyday words and would make the document easy to follow.

I do not think that customers should have to receive applications and contracts that are difficult to follow and difficult to understand exactly what is contained in them.

I want to acknowledge that some progress has been made in this regard with some financial institutions. I certainly thank them for that. But there is a lot more that needs to be done and the industry will acknowledge this. I have put before us this morning a "plain language" amendment which is legislation that is in several states of the United States at the moment. New York first introduced it in 1978 and I believe there are at least 10 states at the moment that have enacted plain language statutes.

Here in Canada the only province that has plain language legislation is Alberta which passed this in 1990.

In looking at the New York model, the results of this amendment are reported to be impressive. Experts there argue that a legal requirement for plain language is needed and that one just cannot leave this up to the voluntary initiatives. As I stated earlier the trend has been started in Canada. Some financial institutions have started putting their forms in plain language and readable language that the average customer can understand. But experts indicate that if this is really going to be accomplished right straight through it needs to be put into legislation. That is why I am moving this amendment.

I believe it is a reasonable amendment. It gives the financial institutions two years to get their documents into plain language. Furthermore, they are only required to do so with small customers such as those who borrow less than $250,000.

I think this is an amendment which certainly will be very beneficial for consumers using the services of trust companies. I would urge the House to support it.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I very much appreciate the thrust of the member's concern. I have always felt that a great deal of our legislation is far too complicated for the ordinary person to read. The same of course applies to contracts in some cases. But the trouble is how to define "plain language". If one could define plain language we would be all set. I suppose that would be either English or French plain language. The trouble is that what is plain to me may be exceptionally complicated to you. We have a difficulty right at the outset understanding what is plain language. I suppose to put that spirit of making things readable and easily understandable and so on in legislation itself becomes exceptionally difficult. How can you legislate and say that this language is not plain but that language is plain? What is a plain linguistic operation?

I do not know. I am afraid I have got to say that while I very much appreciate the spirit of the amendment it is not an amendment that we can support because we just do not have any mechanism to adjudicate the issue of whether the language is plain or whether the language is convoluted.

I do not suppose that would be easy to do. For example, would we be faced with a situation on a contract of insurance or a contract of deposit that is required as a result of long studies in English law and court case after court case in determining what is really required? We could have a judge say: "The contract is set aside because in my view this particular contract is not plain enough".

Issues like time of the essence clauses that are required have a long history of litigation behind them. Notice clauses have a long history of litigation behind them.

I very much respect my friend's intention but I must say that the damage that she is trying to cure is going to create more damage in the cure than the cure proposed.

I believe what we have to do is rely on the industries that are in the business of marketing their product to market something that people can read. A number of institutions are doing that. They are being very careful how they lay it out to people they propose to deal with. They are doing that because they want to be able to say: "You can take a look at our contract and anybody can read it".

I think we ought to leave it at that. I believe we would only create litigation, controversy and problems if we were to support this amendment.

Mr. Maurice A. Dionne (Miramichi): Mr. Speaker, I want to support my colleague from Prince Edward Island on the plain language suggestion. I do not believe that it is as difficult as my hon. friend from Mississauga says to put contracts into plain language. Plain language means very simply that it is language that can be understood by

a person who is reasonably intelligent and can read and write.

It has been known for a long time or it has been suspected at least for a long time by many people that contracts are made deliberately difficult in order to bamboozle rather than to enlighten. It is not beyond the realm of linguists to devise a plain language contract. The sooner that happens the better it will be in my opinion both for the industries and for individuals.

In this day and age there can be no rational argument not to put contracts and other legal niceties into plain and simple clear language. I am sure that that will pertain in both of the official languages of this country.

• (1120)

I say let us get on with doing that as soon as possible without any further delays and the kind of logic that my friend has brought in to this debate.

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I only want to take a moment to speak on this particular issue.

I do agree with my hon. colleague from Mississauga that it is not always easy to define what plain language is. However, some things are obvious. I will just give you an example that derives from our own practices here in this House. Have you ever tried to explain to a constituent why our petition forms are preambled the way they are? I have presented petition forms to constituents who sent me back a blast in a letter asking me who did I think I was using language like that to make sure they did not understand. We ask the House of Commons to "humbly sheweth". How many people in this world would know what "humbly sheweth" is or what it does?

An hon. member: It means to shoe a horse.

Mr. Boudria: Obviously it is well intentioned but we do not use Shakespearian English today in this House, nor elsewhere generally in society. The language has gradually evolved into something else.

I have come to the conclusion that some of the language utilized in some insurance contracts has not evolved along with the rest of the language. It is about time we modified that. My colleague from Malpeque has indicated previously that other jurisdictions have done it, so it is not a matter of us re-inventing the wheel. Other jurisdictions have done it. Maybe in some jurisdictions some elements have not worked. That is possible but we have their experience to draw from. There are some 10 jurisdictions that operate in the system which at least to a degree resembles our forms at least in administration of justice.

If other liberal democracies have utilized a simpler form of language in order to at least try to make these documents understandable by some people who cannot understand them now, then we have achieved something.

I agree that some documents are harder to read than others. That is obvious.

[*Translation*]

Just think of how *Le Devoir* is written, for instance. It is well-known but not quite as easy to understand as other newspapers.

The same thing happens with legislation when we adopt a style of writing that can be much more complex than usual, and sometimes for no reason. We could make an effort to try and use, if at all possible, words that are a bit easier to understand than those we find in the existing legislation.

[*English*]

I had an occasion about a year ago of reading my automobile insurance policy. It is a shame that I did not think to bring it here this morning and read excerpts from it. It is not entirely clear to me that it is even the English language that is utilized in it. It sounds remotely similar but not very close. It is something entirely different to what we are used to listening to as a language in everyday English.

[*Translation*]

Presumably the wording of the French version is equally hard to understand.

[*English*]

I think our colleague has given us something to think about very seriously and we should consider it favourably. Plain language is not as easy to define as it could be but most people recognize gobbledegook when they see it.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion negatived on division.

Motion No. 68 negatived.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 78.

That Bill C-4 be amended by adding immediately after line 19 at page 244 the following new clause:

"460. Notwithstanding anything in sections 453 to 459, no company may acquire or increase a substantial investment in a body corporate

(*a*) if the body corporate is an insurance company to which Parts I to VII of the *Canadian and British Insurance Companies Act* apply or an insurance corporation incorporated by or under an Act of the legislature of a province; or

(*b*) if the activities of the body corporate are substantially similar to those of a body corporate described in paragraph (*a*)."

He said: Mr. Speaker, earlier I said that it was the thinking of this party that in the financial institution structure, each institution ought to do the things for which it has received the patent, or licence.

Banks are to deal with things that relate to banking, insurance companies with things that are related to insurance companies, trust and loans with things that are related to trust and loan companies. We believe that the pillar structure has served the financial institutions of this country very well. Banks have grown in Canada, trust and loan companies have grown and insurance companies have grown. As a matter of fact, there has not been an insurance company in Canada that has gone broke since insurance companies came into being, largely because we had a pillar structure and we regulated the pillars.

I understand things have changed. I understand that there are a lot of cross pillar synergies going on. We now have to deal with this new reality where in fact they are doing each other's business so to speak, running around the ends of the pillars. We have no objection to banks entering into joint venture arrangements with insurance companies. They do it with creditor insurance for example. When you take out a loan the loan is insured. The bank does not insure the loan, but it has entered the joint venture with *x* insurance company that insures the loan. Mortgage insurance is similar where a joint venture is entered into with an insurance company to insure mortgages.

It seems to me that we have no problem with those joint ventures, those kinds of networking arrangements which are disclosed and regulated. That is the whole principle of the question of banks marketing insurance.

This particular amendment would prohibit a trust and loan company from owning an insurance company. I tell you that we have thrown up the spectre of what is going to happen when they start buying each other. In fact if you look at the market right now, the smaller trust companies are recognizing that they cannot survive with this upcoming legislation. Many of them are now looking for a bed fellow. Many of them are looking for a partner.

• (1130)

I want to tell you that you are going to see a period of merging going on that will make your head spin. At the end of the day, when it is all done, you are going to end up with the super financial institution. It will have subsidiaries but it will all be one super pocket. When that happens, we will have a concentration of economic power the likes of which we have never seen in this country.

This amendment is one of the ways we want to put the animals back in their cages. It attempts to do that.

I have heard the hon. member for Mississauga South say insurance companies should do insurance, banks should do banking. In fact, I want him to explain to me how it is that an insurance company can sell such financial instruments as RRSPs and GICs and what does an annuity have to do with insurance. It is a financial arrangement once you hit the magic 90 that you are going to live forever. What is so magic about that? Why is that not an instrument that a bank can sell? It does not make any sense to me.

What makes sense is recognizing a joint venture arrangement. That makes a lot more sense than forcing financial institutions to go out and either buy an insurance company, if they want to get involved in the full ramifications of what this legislation will provide, or else start one.

It does not seem to make any sense because that is going to be very costly in the long run. Only the large and powerful institutions will be able to do that in any event.

This amendment is in keeping with the philosophy that we have expressed throughout. The pillar system has built a very sound financial institution structure in this country. It has served Canadians very well. In some mad dash to deregulate, we will end up throwing out the baby with the bath water.

I warn the danger inherent is that you are going to have a meltdown. One morning you are going to wake up and find just as the Californians did, that there are really only two banks in all of California and now one is buying the other, so there will be only one bank in California, just one.

We see the deregulation in the United States and what it is doing to financial institutions there. What is happening is a meltdown in the United States. They are buying out each other. They are bailing each other out. They are going to have large humungous institutions.

I ask the members of the House to consider positively this amendment. I think it will make sure that the pillar system remains, but will allow the joint venturing and networking which we have no problem with.

Mr. Don Blenkarn (Mississauga South): This amendment is an attempt to turn the clock back, and the clock is not going to go back very easily. There are 20 insurance companies and trust companies already sharing ownership. To all of a sudden go with this amendment and prohibit the acquisition of one by the other would not wash with the realities of today.

The fact is that we are keeping the pillars of intermediation separate. In the thrust of all of the bills, we are allowing one institution to acquire another institution or be related to it in cross-ownership, but again operating separately.

I understand my friend's philosophy, but it is not the philosophy of the legislation. It is not the philosophy that has generally been accepted by people in all branches of the intermediation industry. I understand my friend's wanting to establish a new order, but the new order is not one that is acceptable to anyone in the financial industries, or to very many people in the financial industries anyway. The consequence is that we cannot accept my friend's decision to try to rewrite the way things are going.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, as the hon. member for Mississauga South has mentioned presently in Canada at least 20 insurance companies now own a trust company or are part of a conglomerate that owns a trust company. In view of that it only seems logical that trusts should be able to own insurance companies.

We hear concerns expressed about corporate concentration, and certainly that is a concern that I have. But there are two ways that would be dealt with. First, there is the Competition Act, which applies to any questionable acquisitions and second, there is the Minister of Finance. He can refuse a merger that would not serve the best interests of the Canadian financial system.

Another fact I would like to point out is that six out of the top 10 large Canadian insurance companies are takeover-proof. What I mean by that is that they are mutuals. They are owned by the policyholders and, therefore, cannot be taken over.

Finally, the Conference Board of Canada told the finance committee when we were reviewing the financial institution legislation that it sees no competition problems if trusts are given the power to buy insurance companies.

For those reasons we will be voting against this amendment.

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, it seems to me that the debate on this amendment, if I understand it correctly, illustrates the difference between the two basic approaches being taken here by the government and by the NDP. The government seeks to maintain the appearances of the four pillar system on which our financial industry has been based over the years whereas we are seeking to maintain the reality of that pillar system.

Having said that, it seems to me that what we have here with this—as the hon. member for Nickel Belt called it— mad rush to deregulate is really a mad rush to imitate. It is a mad rush to mimic what we see going on south of the border which is so very, very symptomatic of other things that we have seen. With respect to this issue I would say as I might say with respect to others: What is the origin and the locus of this self hate for Canada and Canadian institutions and the Canadian way of doing things that we find on the other side of the House? What has happened? I did not realize that I grew up in such a bad country with all these things that needed to be

changed: the way we ran our transport system, the way we ran our health care system and you name it. I had no idea that I lived in such an abominable society, that it needed to be so radically altered and so radically Americanized.

• (1140)

That is what is going on. We see here a kind of self loathing on the part of the government that everything Canadian has to be mutated and altered and made more like the Americans in some way or another. This is pathological. This is a deep, deep psycho-political sickness on the part of the government and it reaches into everything. Everything is being touched by this sickness of having to imitate. Let us get rid of anything that is Canadian, anything that worked and that made, in this case, for a very sound financial system, one of the soundest in the world. My God, it is an embarrassment. There may be people or institutions that cannot make all the money they want to make and this reduces our self image. We are not a place where people can be real greedy guts, they can only be half greedy guts so, let us change it.

I just do not understand it and I find this whole mess the government is entering into here to be just another symptom of this malaise that unfortunately affects the whole country. If the Conservatives just want to bring themselves down it would not be so bad, but they are taking a very good country with them.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I also would like to intervene in the debate. The amendment that is being proposed by my colleague from Nickel Belt would prohibit trust companies from acquiring insurance companies.

This is part of our whole general thrust in opposing the government's resolutions and motions that would radically alter and change our financial institutions.

Yesterday, when I spoke on some of the other amendments I brought up the question of public interest. My friend from Mississauga South talked about the interest of the insurance companies and the trust companies, but he really did not explain how this would be in the public interest.

An hon. member: They do not seem to care about this.

Mr. de Jong: The concern I have as this government moves along in this legislation, and my colleague from Nickel Belt yesterday put into the record, is with the comment made by the former chairman of the finance committee during hearings of the finance committee, that this was a cut deal. I asked where was the public interest when the insurance companies and the banks and the life insurance companies and so forth sat down and worked out this deal.

It is up the government to protect the public interest. It is up to the government to demonstrate, when it moves legislation through this House that the public will benefit, that the public will be protected. Yet as we hear government spokesmen defending this legislation, not once have I heard them attempt to justify anything on the basis of public interest. They are here representing the interests of the insurance companies, the trusts and the banks, but their job is to protect the interest of the public and they are not doing that. They are protecting the interests of the banks and the trusts and so forth, but not the public. They are not doing their job. They are negligent in fulfilling their job of protecting the public interest.

Is it in the public's interest to have the few large financial institutions that take deposits and so forth to own trusts and insurance? Is it in the public's interest to see the money they deposit in institutions being used somehow to acquire insurance companies, to be used to expand the commercial and other financial interests of this trust or bank, whatever the case may be?

It is the government's job to ensure that when people put their money into a deposit that the banks will do everything in their power to act in the best interest of those depositors and make certain that their deposits are not put at risk.

Now we have a situation where these deposit institutions can acquire other commercial ventures, other financial ventures. They might take the depositors' money and put that at risk for the sake of the financial interest of the commercial enterprise or the financial enterprise.

That is wrong. It will shake the trust people have in the deposit taking institutions. That will occur because we have the misfortune of having a government that did not act first and foremost to protect the public interest.

With this particular amendment, I have not heard any justification from the government for allowing trust companies to own life insurance companies from the point of view of how this will serve the public interest. Therefore I cannot support the government's thrust and will support the amendments introduced by my colleague from Nickel Belt south.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 78. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

Pursuant to Standing Order 76(8), a recorded division on the proposed motion stands deferred.

Mr. Blenkarn: Mr. Speaker, on a point of order, earlier yesterday in connection with this bill, I had a discussion with my colleagues on the other side with reference to clause 484 of the bill to file an amendment.

If I can have the unanimous consent of the House to do that:

> That clause 484 of Bill C-4 be amended by striking lines 32 and 33 on page 258 and substituting the following:
>
> Twice the annual salary of the related party and $100,000.

The reason for this amendment is to bring this bill in line with Bill C-19. I will be making the same amendment with respect to Bill C-28 at a later stage.

It is just to make sure that all of these bills give the same powers, authorities, privileges and obligations as each to each other as we have in this package of financial legislation.

• (1150)

The Acting Speaker (Mr. DeBlois): The house has heard the motion tabled by the hon. member for Mississauga South. Is there unanimous consent to adopt that motion?

Some hon. members: Agreed.

Amendment (Mr. Blenkarn) agreed to.

Mr. Blenkarn: Mr. Speaker, I believe you will find there is unanimous consent that all the report stage amendments be put to the House on a vote at six o'clock with the report stage amendments that we might have for vote on the next orders of business for today, which would be Bill C-19 next and then Bill C-28 and Bill C-34.

I make that motion.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion. Is there unanimous consent to defer the vote on the amendments?

Mr. Boudria: Mr. Speaker, there have been informal consultations and we are certainly agreeable to taking all of the votes at 6 p.m. tonight. But I was not under the impression that we would adopt a motion of the House to that effect. If I understand the procedure that is normally followed, if there is a vote to be taken on a bill, the division bells calling in the members will ring briefly until one of the two Whips, or his or her agent, approaches the table and ask for the deferred vote to be held at 6 p.m.

I do believe that we should follow that procedure at the present time. But there is certainly at least an informal agreement on my part and on the part of my colleagues that is the way we would like to go. But there could be unforeseen circumstances that happen between now and the taking of that vote which might change that. I suggest that motion be withdrawn and we continue the way we were, with the informal agreement that one of the Whips will ask for the vote to be deferred to 6 p.m. this afternoon.

[*Translation*]

The Acting Speaker (Mr. DeBlois): So, as I see it, the motion need not be withdrawn, but there is not unanimous consent to adopt it.

[*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.

[*Translation*]

And the division bells having rung:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(*a*), I have been requested by the assistant opposition Whip to defer the division until a later time. Accordingly, pursuant to Standing Order 45(6), the recorded 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.

* * *

BANK ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C–19, an act respecting banks and banking, as reported (with amendments) from the Standing Committee on Finance.

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): After considering the proposed amendments, the Chair is able to render a decision.

[*English*]

There are 30 motions in amendments set down on the Notice Paper for the report stage of Bill C–19, an act respecting banks and banking.

[*Translation*]

Motions Nos. 1, 4 and 5, standing in the name of the hon. member for Nickel Belt, are in order and will be grouped for debate. Motion No. 1 will be voted on separately. The vote on Motion No. 4 will apply to Motion No. 5.

[*English*]

Motions Nos. 1A, 1B, 1C, 2C and this 10A standing in the name of the Minister of State (Finance) are proposed technical corrections to the French or English version of the bill. They are in order and will be grouped for debate with the vote on Motion No. 1A being applied to Motion Nos. 1B, 1C, 2C and 10A.

[*Translation*]

Motion No. 2, standing in the name of the hon. member for Nickel Belt, and Motion No. 3, standing in the name of the hon. member for Malpeque, are in order and each will be debated and voted on separately.

[*English*]

Motions Nos. 2A and 2F standing in the name of the Minister of State (Finance) are in order and will be grouped for debate.

A vote on Motion No. 2A will apply to motion No. 2F.

Motions Nos. 2B, 2D, 2E, 2G, 3A, 3B, 3C, 3D, 3E, 3F and 3G standing in the name of the hon. member for Nickel Belt are in order and will be grouped for debate.

A vote on Motion No. 2B will apply to the 10 other motions.

[*Translation*]

Motions Nos. 6 and 11, standing in the name of the hon. member for Nickel Belt, Motion No. 7, standing in the name of the hon. member for Kingston and the Islands, and Motion No. 8, standing in the name of the hon. member for Ottawa—Vanier, are in order.

Motions Nos. 7 and 8 are identical. After consultation, I have decided to select Motion No. 8 for debate. Therefore, Motions Nos. 6, 8 and 11 will be grouped for debate. A vote in the affirmative on Motion No. 6 will obviate the need for a vote on Motion No. 8, while a negative vote on Motion No. 6 will require a vote on Motion No. 8. Motion No. 11 will be voted on separately.

[*English*]

The effective part of Motion No. 9 standing in the name of the hon. member for Nickel Belt was debated and negatived in the standing committee. For this reason the motion is not selected.

Motion No. 10 standing in the name of the hon. member for Malpeque and Motion No. 12 standing in the name of the Minister of State for Finance are acceptable and each will be debated and voted upon separately.

[*Translation*]

To recapitulate: Motions Nos. 7 and 9 are not selected.

[*English*]

Motions Nos. 1, 4 and 5 are grouped for debate. Motion No. 1 will be voted on separately. A vote on Motion No. 4 will apply to Motion No. 5.

Motions Nos. 1A, 1B, 1C, 2C and 10A are grouped for debate. The vote on Motion No. 1A will apply to the four other motions.

[*Translation*]

Motions Nos. 2 and 3 will each be debated and voted on separately.

[*English*]

Motions Nos. 2A and 2F are grouped for debate. A vote on Motion No. 2A will apply to Motion No. 2F.

Motions Nos. 2B, 2D, 2E, 2G, 3A, 3B, 3C, 3D, 3E, 3F and 3G are grouped for debate. A vote on Motion No. 2B will apply to the 10 other motions.

[*Translation*]

Motions Nos. 6, 8 and 11 are grouped for debate. Motions Nos. 6 and 11 will be voted on separately but Motion No. 8 will be voted on only if Motion No. 6 is rejected.

[*English*]

Motions Nos. 10 and 12 will each be debated and voted on separately.

I will now propose Motions Nos. 1, 4 and 5 to the House.

MEASURE TO ENACT

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 1.

That Bill C-19 be amended in Clause 23 by striking out lines 30 to 34 at page 20.

Motion No. 4.

That Bill C-19 be amended in Clause 377 by adding immediately after line 15 at page 195 the following:

"(2) The Minister may approve only the following acquisitions:

(a) the acquisition by a person, or entity controlled by a person, of up to 100 per cent of the shares of a bank or an entity that holds any share of a bank where the bank or entity to be acquired holds assets whose total value is less than ten billion dollars;

(b) the acquisition by a person, or entity controlled by a person, of up to 75 per cent of the shares of a bank or an entity that holds any share of a bank where the bank or entity to be acquired holds assets whose total value is not less than ten billion dollars and not more than twenty billion dollars;

(c) the acquisition by a person, or entity controlled by a person, of up to 50 per cent of the shares of a bank or an entity that holds any share of a bank where the bank or entity to be acquired holds assets whose total value is not less than twenty billion dollars and not more than thirty billion dollars;

(d) the acquisition by a person, or entity controlled by a person, of up to 25 per cent of the shares of a bank or an entity that holds any share of a bank where the bank or entity to be acquired holds assets whose total value is not less than thirty billion dollars and not more than forty billion dollars; or

(e) the acquisition by a person, or entity controlled by a person, of up to 10 per cent of the shares of a bank or an entity that holds any share of a bank where the bank or entity to be acquired holds assets whose total value exceeds forty billion dollars."

Motion No. 5.

That Bill C-19 be amended in Clause 381

(*a*) by striking out lines 32 to 35 at page 198 and substituting the following therefor:

"acquired in accordance with subsection 377(2) shall, from and after the day determined pursuant to this section in respect of that bank, have and continue to have, voting shares that carry

(*a*) in the case of a bank referred to in paragraph 377(2)(*b*), 25 per cent,

(*b*) in the case of a bank referred to in paragraph 377(2)(*c*), 50 per cent,

(*c*) in the case of a bank referred to in paragraph 377(2)(*d*), 75 per cent,

(*d*) in the case of a bank referred to in paragraph 377(2)(*e*), 90 per cent,

of the";

(*b*) striking out lines 2 to 20 at page 199 and substituting the following therefor:

"the day that is five years after the day this Part comes into force."

He said: Mr. Speaker, now that we have started the debate on Bill C-19, the Bank Act, you will notice that a lot of the amendments that I have which were entered on Bill C-4, the Trust and Loan Companies Act, will be carried into the Bank Act. Many of the comments that we made with respect to Bill C-4 will apply to Bill C-19.

The first one of these is Motion No. 1 which deals with the prohibition against the federal Crown establishing a bank.

• (1200)

I do not know what it is that motivates a government to apply what I consider to be medieval thinking to the state. Why does the government want to exclude the Crown from establishing a federal bank or a commercial bank? Why would we close the door to that option at this particular point?

Now we are embarking on deregulation of financial institutions. It is a deregulation of the financial institutions and we just do not know where this road is leading. The federal government in the past has established the FBDB as was pointed out by one of my colleagues yesterday and it has established the Bank of Canada. Yet here we have a prohibition against establishing a commercial bank. I just do not understand this medieval view which I have seen from time to time being expressed that somehow or other the state ought to exclude itself from having a bank.

We all are saying that we want to go into Europe and compete with the Europeans. We say Europe 92 is the way to go. Yet if you look at the European experience governments in Europe are right up to their armpits in commercial banking.

France is very involved in its commercial banking. The Germans are involved in their banking system. In this country we not only do not get involved in it we now turn around and bring in a law that says we cannot at all. We cannot have a bank.

I know our party has long held a policy that we wanted to nationalize a bank. I have serious doubts about that. I think that has probably been put on the back burner because who wants to go out and spend billions of dollars of the taxpayers' money buying one.

It seems to me that if we are going to get into the banking business the way to go is to start your own. That option is not at all open to us when this passes. Imagine a government that has such a jaundiced view of its own role and its own function that it would forbid itself the option of at some point maybe needing to have a window on the banking industry. By God when these bills pass this is going to be a different animal. The financial institutions of this country are going to be a different breed all together.

I once described them as animals. I gave them animal names in the form of a fable. I had them in their cages. The problem is somebody is opening up these cages.

Already the Royal Bank has got the lion as its symbol. It has got the globe and it is hugging the globe to its chest. That is very symbolic of where they are headed. That is the first thing. My amendment would give to the Crown and keep the option open to the Crown to establish a bank.

Second, I have the two other amendments namely Motions Nos. 4 and 5. No. 5 is consequential on No. 4. Basically Motions Nos. 4 and 5 look to what is happening with this legislation.

When we held hearings into the Bank Act and the Trust and Loans Act we found that Canada Trust for one is as big as the smallest of the five banks. Canada Trust says: "We would love to become a bank. We are growing. We would not mind becoming a bank". There is only one problem wrong with that. Canada Trust is owned by somebody else so the 10 per cent rule could not be applied to it.

My Motions Nos. 4 and 5 recognize that after this legislation gets passed some of these financial institutions are going to grow. It is quite possible that you can have a very large trust and loan company. It would be very large in actual size and yet the ownership could be closely held.

What we have said in this motion is to have a sliding scale of ownership. If you grow beyond a certain size then the way you protect the shareholders and investors is to have the wide ownership provision. This is the 10 per cent wide ownership provision that is applying to banks at the moment. They can decide. The larger you get the more widely held the ownership has to be. So the institution has options. It seems to me that sliding scale is a protection for depositors and it is a protection for investors and a protection for all Canadians because when they fail it is the taxpayers who pick up the tab. Let us not kid ourselves. The CDIC picks up the buck.

I know that colleagues yesterday mentioned Standard Trust. In that episode the taxpayers picked up roughly about $250 million. That came right out of the taxpayers' pockets. There was a closely held company and a small

financial institution. But imagine now, given this legislation. It is a licence to grow big. The dangers are going to be there.

My Liberal and Tory colleagues got together to reduce the auditors to one. In a new sphere and in a new era we are going to have larger financial institutions. At the same time we are removing or not permitting the kinds of built-in controls such as the widely-held ownership control for larger financial institutions. I think it is a big mistake to dismiss the idea of two auditors given the size to which these financial institutions can now grow. They can grow and become sumo wrestlers as I have said time and time again in the past. They can represent Canada in global competition. I know that is where the Liberal Party is moving these days to join the Conservatives in this mad dash to get bigger and bigger and bigger and bigger. At the same time the well thought out sliding scale of the green paper in 1985 has been thrown out.

I know that the member for Mississauga South will say that is not in the cards because the financial institutions will not accept it. I want to remind members again that it is not the financial institutions which will decide what is best for Canada. Parliament decides that. It is the legislators of this country who decide what is best for Canada not a couple of overfed bankers and bagmen and bandits meeting in some room on Bay Street or on Bank Street deciding it. It is legislators who decide that. I am sorry the member for Mississauga South has broken with his past.

• (1210)

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, it is always entertaining to hear from my friend from Nickel Belt.

We have two amendments and the first amendment is in connection with governments incorporating commercially under this particular statute.

My friend will know that it has not been the policy of the Government of Canada under any government to allow a provincial government to incorporate a chartered bank and that prohibition remains in the Bank Act.

The federal government, if it wants to start doing something of that nature, would incorporate a bank by statute much the same as the federal government incorporated the Federal Business Development Bank and the Bank of Canada.

This bill is designed to handle the affairs of commercial banks.

Dealing with the scaled ownership amendments, Motions Nos. 4 and 5, my friend will know that all of the Schedule A banks in this country must be widely held in that no person or group of persons acting in concert can hold more than 10 per cent of the voting stock. That is the way we intend to keep it.

With respect to trust companies and Schedule B banks—we have a number of Schedule B banks in this country, and my friend will know that they are all foreign owned—they are now subject to the control limitations of $750 million in paid-in capital. If they exceed $750 million in paid-in capital they must subscribe to the rule that makes them divest up to 35 per cent of their ownership to Canadians in a widely held fashion.

I think my friend should accept that because it is a very important move in terms of making sure that those who come to this country to do banking operate in the same fashion as Canadians operate in this country. So Schedule B banks are required under the legislation, if they reach $750 million in paid-in capital, to start making their shares available in the marketplace to the extent of 35 per cent.

The sliding scale was well debated over a five year period. It was found on examination to be unacceptable at this time. I had something to do with making the suggestion of the sliding scale when I was chairman of the finance committee back in 1985, but the matter has been handled over a period of time. We have looked at this matter very carefully to see how we best could, as my friend said, protect the interests of the public and protect the interests of the nation. This particular format that we now have is viewed by everyone in the industries and by the government and respecting the interests of the individual as the best way we can proceed at this time.

I want to say to my friend with regard to the whole question of the Canada Trusts and the Royal Trusts of this world being narrowly controlled, massive organizations, that the act prevents them from becoming banks unless they become widely held. Perhaps that is as it should be. Canada Trust can, if it wants to, become widely held and become a bank. But unless it becomes widely held, it is the view at this stage that banks not be narrowly held in Canada. Once foreign banks pass $750 million in paid-in capital, they too must have market participation. We believe that this is the best framework at this time in terms of the ownership issue. The

ownership issue has been debated and debated at great length and we believe that this is the best arrangement that can be arrived at today.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, with regard to Motion No. 1, which would give the government the power to own a bank, as I indicated yesterday we studied the whole financial institution legislation for over a year and we heard over 100 witnesses and never did we have a provincial government come and request this power.

Never did we have an individual or consumer group come before the finance committee and request that provincial governments be given the power to incorporate a bank.

As a result, this issue has not been studied by the committee and furthermore, a government which wishes to own a financial institution can do so by owning a provincial trust company, as has been done in Ontario and Alberta. For these reasons, we will be voting against that amendment.

With regard to Motions Nos. 4 and 5, this amendment would subject foreign Schedule 2 banks to a sliding scale in ownership. In other words, the larger the foreign bank the more widely it would have to be held.

The current Bank Act, as indicated by the hon. member from Mississauga, says that a foreign Schedule 2 may be closely held indefinitely unless it surpasses $750 million in capital through the acquisition of a Canadian financial institution. In that case it would be required to have 35 per cent of its shares in public ownership.

In Canada, trust and insurance companies will only have to meet that 35 per cent rule as opposed to the sliding scale that has been suggested. We see no reason whatsoever that foreign Schedule 2 banks should be treated any differently.

The current Bank Act allows foreign Schedule 2 banks to be closely held indefinitely. Certainly we have heard no evidence at the finance committee to make a spiel that there should be a change in this policy.

We will be voting against these amendments.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, the amendments being proposed today would allow the federal government to get into the commercial banking business. We have heard some spokespeople from the Liberal and the Conservative parties argue against that amendment.

It is not that we envisage in this amendment that the government would go off and nationalize a bank. I do not think that would make any sense. Certainly there might be occasions from time to time when this might make some sense, as in the earlier part of the last decade when we had the Canadian Commercial Bank and the Northland Bank going under.

It took a lot of the taxpayers' money to bail out the depositors through subsidization of the deposit insurance. Many of the depositors, especially in the Canadian Commercial Bank, were the banks because the Canadian Commercial Bank was offering quite an attractive interest rate on short term money.

Here we had the quite interesting situation where the government borrows money from the banks and pays interest on it and it is part of our deficit. Here we have the Canadian government borrowing money from the banks in order to pay the banks some moneys they would have lost with the collapse of the Canadian Commercial Bank.

I see our former chairman scratching his head and smiling. He knows that this was one of the ridiculous moments in Canadian high finance. We saved our great free enterprisers who took the risk in order to get a few basic points higher than interest rates. Surely they knew that the Canadian Commercial Bank was offering slightly higher interest rates which it needed to attract deposits. It was having problems. They knew they would eventually be able to get any money they were going to lose back from the Canadian government. It seemed to me at that moment that rather than the Canadian government using taxpayers' money to help save the depositors of those financial institutions, the Canadian government should have just taken them over and continued to operate them as commercial banks. It would have saved the Canadian public a lot of money. It would have saved some depositors some money. It certainly would have saved the Deposit Insurance Corporation money and it made sense. At that point it would have made sense if the Canadian government had taken over those two failing institutions and continued to operate them.

• (1220)

Very often when a bank goes under it is because it had too many loans out in terms of real estate and the oil industry. This was the particular problem both with the Northland and the Canadian Commercial Banks. We also know that these are cyclical things. If we had been able to continue operating those financial institutions over a decade, some of the bad loans for mortgages on real estate that had declined in value would have been recovered as the value of that real estate went back up again.

I maintain that would have been an ideal opportunity for the government to acquire those institutions and continue to operate them. However, the legislation prohibits the government from doing that. If the government really wants to, it can go back and change the legislation, therefore why have it in the act in the first place?

It is not very often that we see something being legislated telling us what the government cannot do. In terms of the workings of this House it does not make sense. It is inappropriate to have in the act a statement saying that the government cannot do something. One begins to wonder why the government insists that it wants this in. I suspect it is trying to please other folks by giving another line of defence in case the government comes to a situation where it actually wants to operate a commercial bank. It would mean that the government would first have to bring that legislation to the House and amend it before proceeding to act on acquiring and setting up a commercial bank. It is an odd piece of legislation in the act and should not be there.

The other amendment that I think is important is the sliding scale. It originated from the former minister for financial institutions when she presented her green paper. Basically, it makes sense that trust companies which want to deal like banks are acquiring a lot of the powers of banks with this legislation. They will be able to do things that banks do. I agree with the bankers that "if it smells like a bank, if it walks like a bank and talks like a bank, then by golly, it becomes a bank". This is the situation we will arrive at in terms of the trust. So why not take it all the way and require some rules and regulations in terms of their ownership?

What the amendment proposes I think is quite modest. It proposes that a trust can be 100 per cent owned if it has assets of less than $10 billion. It has to divest part of its ownership if it has assets of no more than $20 billion. In other words if it has assets of $20 billion, no one individual or entity controlled by an individual can own more than 75 per cent of that trust.

With reference to the sliding scale, the third step is that no individual or entity controlled by an individual can own more than 50 per cent if the total assets reach $30 billion. No individual can own or control a trust for more than 25 per cent if the total assets are up to $40 billion. If it is over $40 billion what we require through this amendment is that no individual can control more than 10 per cent.

Those are not outrageous numbers. These are huge amounts of assets, wealth and power. Is it in the public interest to have so much power being concentrated in the hands of one individual?

It is not just us New Democrats making this point in this House even though we are a lonely voice here. A well respected international magazine *The Economist* had a November 9, 1991 article entitled "Canadian finance: Untrustworthy?" I wish to put on the record this quote:

> The banks have long argued that allowing an industrial or commercial concern to control a financial institution is a recipe for disaster and mismanagement. The authorities in Ottawa have resisted their call to impose on trusts the wide ownership rules that apply to banks themselves. More trust company failures could prompt the government to think again.

One hopes and one wonders at what point will the government start thinking again.

We have seen during the eighties a number of trust companies going under. I think of Pioneer Trust in Regina. The workings, the management and the ownership of Pioneer Trust at the time I do not think should be held up as an ideal model. There were some questionable "business decisions". There were some suggestions of conflict of interest in there between the commercial interest of some of the directors and owners of that particular trust and the businesses that the trust was involved in, the type of loans it gave and the type of assets it looked at in terms of securing loans.

Imagine if Pioneer Trust had been a $10 billion or a $40 billion institution and the same type of mentality was occurring. Think of the the tremendous disaster it would

have created and the economic harm it would have done to Canada and to the depositors.

This amendment is about some form of protection to ensure that one or two individuals do not control so much power and assets that their wrongdoings can create a tremendous public harm to the country.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. DeBlois): On a point of order the hon. member for Nickel Belt.

Mr. Rodriguez: Mr. Speaker, I notice that you did not read the motion.

The Acting Speaker (Mr. DeBlois): Order, please. The vote has been asked for. I do not have the authority to stop the procedure.

Is it the pleasure of the House to adopt Motion No. 1?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), the vote is deferred.

The vote on Motion No. 4 will apply to Motion No. 5.

Is it the pleasure of the House to adopt Motion No. 4?

Some hon. members: Agreed.

Some hon. members: No.

• (1230)

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

Motions Nos. 1A, 1B, 1C, 2C and 10A are grouped for debate.

[*Translation*]

Hon. Frank Oberle, for the Minister of State (Finance) moved:

Motion No. 1A.

That Bill C–19 be amended in the French version of Clause 128 by striking out line 33 on page 69 and substituting the following:

"fiducie ou de société de personnes ou règle–".

Motion No. 1B.

That Bill C–19 be amended in the English version of Clause 191 by striking out line 30 on page 98 and substituting the following:

"section."

Motion No. 1C.

That Bill C–19 be amended in the English version of Clause 200 by striking out line 14 on page 103 and substituting the following:

"composition of the board or an irregularity in".

Motion No. 2C.

That Bill C–19 be amended in English version of Clause 315 by striking out line 23 on page 164 and substituting the following:

"firm of accountants as auditor of a bank,".

Motion No. 10A.

That Bill C–19 be amended in the French version of clause 472

(*a*) by striking out line 27 on page 275 and substituting the following:

"ger ou à une entité contrôlée par celui-ci,";

(*b*) by striking out line 38 on page 275 and substituting the following:

"ment de la dette publique du même".

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, these are rather simple matters. They involve language. As we go through these bills you will find a number of amendments like these. These are amendments here to correct the English or the French to bring them into a consistent situation. I would move that these motions be carried without debate.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I would agree with the hon. member for Mississauga South. I have gone through these amendments and they are very technical and are really there to help clarify the legislation.

Mr. John R. Rodriguez (Nickel Belt): We have no problems with them, Mr. Speaker.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, there are one or two I am not quite clear on and perhaps my colleague from Nickel Belt or perhaps the mover and the seconder of the motions who have introduced these motions in the House can explain some of the technical details here.

Mr. Blenkarn: There are really no technical details. It is very, very simple. The explanation is that sometimes when we translate from English to French or from French to English the realization of the translation does not work out exactly the same way. It is one of the problems and one of the benefits of the Official Languages Act. I assume that my friend is still supporting that act. If that is not his policy perhaps he would like to clarify.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I remind all members that the vote on Motion No. 1A will apply to the four other motions.

Some hon. members: Agreed.

[*Translation*]

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt Motion No. 1A?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I declare the motion carried.

I therefore declare Motions Nos. 1B, 1C, 2C and 10A carried.

Motion No. 1A agreed to.

[*English*]

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 2.

That Bill C-19 be amended by adding immediately after line 32 at page 110 the following new clause:

"215. (1) The directors of a bank shall place before the shareholders for approval, at every annual meeting, a list containing the names of the five directors, officers or employees of the bank who are to receive the highest salaries to be paid by the bank in the next financial year of the bank, together with the amount of such salaries.

(2) Notwithstanding any Act of Parliament, the salaries referred to in subsection (1) may be paid only to the extent that they have been approved by ordinary resolution.

(3) Forthwith after each annual meeting of shareholders, the bank shall send to the Superintendent, a list containing the names of the five directors, officers or employees of the bank who are to receive the highest salaries to be paid by the bank in the ensuing financial year of the bank together with the amount of such salaries.

(4) For the purposes of this section, "salary" means any form of remuneration payable by a bank for work performed by a director, officer or employee of the bank and includes

(a) commissions, vacation pay and bonuses;

(b) reasonable value for rent and housing;

(c) payments in kind; and

(d) any other advantage received directly or indirectly from the bank;

but does not include

(e) any amount paid as a consequence of the termination of the employment of any director, officer or employee."

He said: Mr. Speaker, do you remember yesterday when we were dealing with Bill C-4, the trust companies act, that we moved the exact same amendment?

The purpose of the amendment is to require disclosure and shareholder approval of the remuneration of the five highest paid directors, officers or employees of a bank. As I said yesterday, this is simply an extension of the democracy that we support in the political operations of

our country. In a way, a bank or a company is much like a country.

In a country the electors, the people of the country are really the shareholders. The assets of those shareholders are managed by the people whom they elect. That is government and that is Parliament.

All the people who are shareholders in this democracy of Canada know or have available to them what are the wages of their directors, their chief officers, the cabinet and members of Parliament. Their wages are available to the public because the public who are the shareholders are paying the loan. They are paying the freight.

They have a right to know. They have a right to know in the same way in a bank the shareholders and potential investors have a right to know. After a while, that money is coming out of potential dividends and it is going to pay the salaries of the top officers.

Can you imagine the scene now where the shareholders can vote the wages of the board of directors of the company, which is really peanuts compared to what the chief operating officials of the bank get? Yet the shareholders are not asked to vote and to approve the wages of the top officials of the bank. I think there is a need for that kind of transparency because there is what is called accountability. Where there is transparency, there is accountability.

This is not just simply some sort of titillating desire to be pornographic about the earnings of bankers. That is not what it is all about. In fact, in the United States this information is all filed with their securities commission.

What we are asking here is not something radical. In fact, we have had the experience. Imagine that when we wanted to find out what the chief officials of corporations earn, we have to actually go to the United States and access the information there.

We used to collect this under the old Corporations and Labour Unions Returns Act. CALURA we called it. Do you remember CALURA? When this government came into office, it scrapped that.

There was an opportunity at one time under CALURA when we could go and look up this information. We cannot do that now. We have to go south of the border. We have to depend on the American process getting information for us. That does not seem to me to be fair ball.

In fact, the Ontario Security Commission is seized of this matter at the moment as we speak. They are attempting to decide whether they should require this information to be filed.

• (1240)

We are asking the government to recognize that it has a leadership role here and it has control over banks and financial institutions because of Bill C–19 and the Bank Act. We should be leading the way. We should be providing the opportunity for the shareholders and the potential investors of banks to get this information, information which they, on their own, are not able to obtain even from their own institutions of which they have a share. I appeal to the members in the House. I appeal to my colleague from Mississauga South who, from time to time, displays a sense of fair play. I know he is always concerned about the interests of the shareholders. Here is an opportunity to put something into the bill.

Good heavens, it is not radical, it is not something that is not done by our major trading partner. To hear the bankers tell it and to hear the government tell it, that is supposedly one of the spin–offs from the free trade agreement. After all, we are allowing American banks to come in here under the agreement and we treat them as if they are Canadians.

It has been shown by no less a person than Doug Peters that in fact we do not have the same reciprocal access to the American markets in banking and financial institutions as they have here. If it were working the way the government envisaged it working and the way I see all the Canadian banks running down into the United States, why would they? If they are going into the United States as they are, they are going to have to comply with American rules and they will have to reveal the information down there. So what is this nonsense that we cannot lead. It is not a question of leading, it is a question of what is logical. We are into a free trade agreement where you have a level playing field.

It seems to me to be logical that the government would want to put in its bank legislation the same kind of rules that apply to bankers in our chief trading partner. I do not see a problem with this. I really do not.

Look at the things that we are interested in having put on the record.

Mr. Speaker, I want to tell you that one of the things that shareholders ought to be very concerned about, one of the hidden things that they ought know, is about the golden parachutes that the top echelons of a corporation, in this case banks, arrange when it is time for them to bail out. I think it is very important for the shareholders to know that, especially since we are going to be moving into a period of merger frenzy. In merger frenzy, it is important for the shareholders and the potential investors of that company to know who has got what golden parachute or what platinum parachute has been designed so that the top echelons of a corporation can jump out of the plane in mid-flight and float comfortably to earth and find a little patch somewhere. That is very important.

They need to know what are the bonuses they get paid. If this information about bonuses were available, by God, the bonuses that were paid in the Standard Trust scam, those bonuses were out there on the table, then in fact it makes OSFIs job much easier with respect to knowing what the bonuses are and how they are paid.

That is very important. So I say to members and I say to my colleagues on my right in particular, the Liberal Party, do not get sucked in by the Tories. Put last weekend behind you. Stand up for the shareholders and the potential investors of this country. Show that you are different from them. You do not have to go along with them on this one.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I understand the inquisitiveness of my friend with respect to salaries. As he has mentioned, the Government of Ontario is a New Democratic Party government and it is in charge of security trading in Toronto on the Toronto Stock Exchange.

It may be that as a result of security hearings in Ontario companies that are listed on the TSE will be required to disclose certain salary levels as suggested in this amendment. However, that would be all companies. What he is attempting to do in this amendment is concentrate on banks only and say that bankers have to disclose and under the current law no one else would have to. That, I submit, would be improper.

Second, the hon. member must understand that we are dealing in a highly confidential system of management of people's money. Banks operate on a leverage of somewhere between 20:1 and 25:1. Their activities are highly supervised by the Superintendent of Financial Institutions and by the specific requirement on auditors to report on very extensive requirements on behalf of directors to make sure that the operation is conducted in a solid fashion.

All of the information that he would like to see public is already in the hands of the superintendent and that is where it belongs. We have to make sure that the confidence that is required in the marketplace for our banks, our trust companies, insurance companies and so on, is there.

If it becomes a question of security legislation that might apply across the board to all corporations, then that would be a matter for security legislators. However, this is not a security legislation bill. This does not affect all companies. This affects banks, and this bill deals with the management and the protection and the solvency of banks. That is the reason why we ought not to confuse our objectives.

If the objective is to be inquisitive as to what bankers earn, then the Ontario government is quite capable on publicly listed stocks to demand certain disclosures as part of the stock exchange information. However, this is not a stock exchange. This is the security of banks and it is the view of the government that this information ought not to be public information, though it ought to be, and obviously is, readily available to the superintendent in every aspect as he conducts his investigations into the solvency of the institutions.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, I rise to speak on Motion No. 2 concerning wage disclosure, which is a similar motion to the one I spoke on yesterday with respect to trust companies.

Yesterday I reported that this legislation in the United States, which is what this amendment is based on, actually drove up executive salaries. I want to quote Senator Claude Castonguay. This is taken from *The Globe and Mail* October 10, 1991, where he said: "The United States, with its individual disclosure, has higher executive compensation than many other countries. As far as we know, the gap between executive compensation and that of other employees is much greater in the United States than in other countries. Compensation experts agree that is the case."

Mr. Speaker, that is the point I was making yesterday.

We heard this morning that you have to go to the United States to get the salaries of top Canadian executives for companies that are listed on the stock exchange. You cannot get those individuals' salaries. What you can get is the total salary figure for the top five executives.

• (1250)

I think if wage disclosure of the top executives is going to be legislated so that shareholders can get that information, it is only fair that we should look across the board at other huge corporations in this country. The salaries at other corporations should also be made available to the shareholders. It is unfair to single out the salaries of executives of financial institutions for disclosure and I will be voting against this amendment.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I just do not understand the reasoning that we have heard from both the government member and the member of the Official Opposition.

First of all, the member from the Official Opposition says it is unfair to put special emphasis on officers of financial institutions. Then the member from Mississauga South said that the financial institutions are so important, these are deposit-taking institutions, they deal with other people's money, and therefore they require great secrecy. The more we allow them the secrecy, the better it is going to be for everybody. I find that a bit of twisted logic.

Personally I think the more transparent, the more open information is, the better management and the better trust depositors can have in those institutions. It is the secrecy, it is the possibility of the sweet contracts, it is the possibility, especially now with the so-called reforms of financial institutions, that allow these deposit-taking institutions to get into commercial ventures and insurance and so forth that make it even more important that we have public disclosure. We are hearing the members of the Liberal Party and the Conservative Party say on the one hand: "Look, why take on the financial institutions. If you are going to have disclosure, you should have disclosure all over", and then in the next breath they say: "Ah, but these are special institutions and they require special consideration". It does not make sense.

What members of the Liberal and Conservative Parties are doing here is justifying an old archaic measure that we have in this country. As I understand it other industrialized countries do not give this type of exemption to officers of publicly held corporations. It is archaic— as our Senate is archaic and we have a few other archaic institutions in this country—for us not to have the same type of requirements.

Let us remember first and foremost what we are talking about is widely held publicly traded corporations, but they are financial institutions. In a democratic society, the shareholders, the owners of those institutions, the voters so to speak, should have certain rights. Surely one of the fundamental rights is the right to know what the chief executive officers are being paid.

Imagine in a democracy if our salaries were kept secret or the salaries of cabinet ministers were kept secret. That is not acceptable. Of course it is not acceptable. The voters, the taxpayers, the shareholders so to speak in Canada, have a fundamental right to know this. Why is it not the case as well when we deal with publicly traded corporations? Their shareholders, their voters so to speak, should have the right to know what the executive salaries are. We hear these twisted illogical reasons why we and the shareholders should not know. Some suggest that it will encourage higher salaries. Others suggest that perhaps if people know how much they were really earning, there would be a greater temptation to kidnap them. All right, they may have some point. I do not think it is really going to stop or encourage a kidnapper either way.

I have not heard the spokesperson from either the Liberal Party or the Conservative Party refute some of the arguments that have been brought forward. Why is it not the right of the public, that is the shareholder, to know this information.

As I said earlier, as we go through financial reform, as deposit taking institutions are now going to be involved in other commercial ventures as well as other financial ventures, the importance of public disclosure becomes even more important.

I would also like to make the argument particularly for small financial institutions that the amount of remuneration given to the chief executive officers can have a direct effect on the amount of dividends being paid to the shareholders. Surely the shareholder should know how much of the expenses go to the salaries of the chief

executive officers. The amount of the dividends are going to be affected.

Surely the shareholders have a right to know that they are not being gouged, that there is not some sweetheart agreement among the directors and the chief executive officers to line their pockets at the expense of the shareholders. If this is the case, the shareholders should know about it and be able to do something about it at the next shareholders meeting.

Again, especially in terms of smaller financial institutions, it is really important that the shareholders have the right to know what the salaries and the various forms of remuneration will be.

It pains me to begin to understand the logic and the reasoning of both the Liberal Party and the government.

I served with my friend and former chairman of the finance committee, the hon. member for Mississauga South, on the finance committee. I sat with him as we investigated bank service charges and so forth and I know the hon. member's true feelings on these matters and that is the more public disclosure there is, the better. The system just works better if we have more public disclosure.

Unfortunately, he is now caught in the position where he is the chief spokesperson for the government. The minister cannot be in the House to explain and justify the legislation, so now my friend has become, in a sense, a cabinet minister. I do not think he is going to get the salary of a cabinet minister.

It is unfortunate I think, because the House will miss him, that he will not be running for re-election. That is a pity. In some ways I look forward to hearing what he would have to say when that group returns to this side of the House.

I think we would begin to hear what the hon. member really feels on motions like the amendment that is being introduced by my friend from Nickel Belt. If the member for Mississauga South had been sitting on this side of the House, he would be lining up here with us. I think we would have had a race between the member for Nickel Belt and the member for Mississauga South to the Speaker's chair as to who was first going to introduce amendments like the one that we are debating right now.

I feel that the hon. member for Mississauga South truly believes that the more disclosure there is the better the system operates. I think had he been on this side of the House, we would have heard some very eloquent arguments in favour of this amendment.

• (1300)

Mr. Stan J. Hovdebo (Saskatoon—Humboldt): Mr. Speaker, far be it from me to rise in defence of banks and so on, but I do want to rise in this particular case because banks are publicly-held institutions. They are very important, probably more important than any other institution to the community in which I live. The fact that they are ending up with a good portion of the land in my part of the world is beside the point.

I think it is very important that those farmers who are being foreclosed on should know where some of their money is going. This amendment is about transparency. It is about the confidence of the public in the financial institutions with which they are dealing, a confidence which they do not have at present. They do not have confidence at present because they do not know where the money is going.

The other day I dealt with a farmer who showed me that over the last 10 years he had a $300,000 debt on which he had paid $700,000, and then he lost his land. Where did that money go? Did it go to the bank manager? Did it go to the top people in the corporation? There is a definition in this particular amendment as well as what is compensation. A lot of the public would like to know exactly what compensation is. What is considered compensation? Is it commissions or vacation pay? Is it homes, apartments, buildings or bonuses? Is it payment of any kind which should not have been taken out of the total—

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

The House took recess at 1. p.m.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 31

[*English*]

AGRICULTURE

Mr. Joseph Volpe (Eglinton—Lawrence): Mr. Speaker, can this government do anything right? In its announcement to provide an $800 million pay-out to farmers last Thursday, the government was stealing from Peter to pay Paul just a little.

First, the amount translates into only about 25 per cent of what Saskatchewan farmers actually need.

Second, the revenues will be raised by forcing corporations appealing tax impositions to pay 50 per cent of the appeal amount before the appeals are completed. This will not only increase the cash flow problems, but it will also contravene some basic principles proposed by a Tory task force on Revenue Canada chaired by the hon. Minister of Communications in 1984.

That task force stated, and I quote: "Taxpayers must be considered innocent until proven guilty" and "it is objectionable in principle that taxpayers should be penalized before they receive a fair hearing".

We agree. Let the Minister of Finance solve the problems of our agricultural community. Let him do it expeditiously, but let him do it also without compromising fundamental legal principles and without further weakening an already beleaguered sector of the economy.

* * *

[*Translation*]

SENATOR CLAUDE CASTONGUAY

Mr. Garth Turner (Halton—Peel): Mr. Speaker, I would like to say a few words about Claude Castonguay. Yesterday, we heard that Mr. Castonguay, on the advice of his doctor, had withdrawn from the joint committee on the federal government's constitutional proposals.

That is too bad because this gentleman is greatly respected in Quebec and in the rest of Canada. He has shared his experience with Parliament and given his support to our country. At a time when we need reason, patience and patriotism, we also need people like Claude Castonguay.

I hope he will continue to assist us in the constitutional debate, as an adviser to the government, in the months to come.

Mr. Castonguay, thank you for the work you have done for Canada. You have given us even more reason to fight for this great country of ours.

* * *

[*English*]

AGRICULTURE

Mr. Les Benjamin (Regina—Lumsden): Mr. Speaker, some farmers thought they would get a better deal when the Conservatives formed the government in 1984. Boy, did they get a wrong number. Instead of a better deal they got the free trade deal, sky high interest rates, attacks on orderly marketing systems for grain and dirty thirties grain prices.

By the end of last year the total prairie farm debt was $13.6 billion, $5.3 billion in Saskatchewan.

In my province two farm families a day are forced off the farm. This year another 253 farm families have gone bankrupt. By the fall of 1990, over 90,000 people were forced to rely on food banks in the prairies, and we have eight of them in rural Saskatchewan.

Just before the recent election they found $800 million for prairie farmers but it is too little and, by the time they get it, it will be too late.

In Saskatchewan, farmers' net income will decline 53 per cent this year. Farmers need $1.3 billion immediately. The government must act now to assure the very survival of thousands of farmers and of the prairie farm economy itself.

* * *

YUGOSLAVIA

Mr. Stan Wilbee (Delta): Mr. Speaker, the tragic state of civil violence in Yugoslavia is of grave concern to us all.

The people of Croatia have been devastated. The mass destruction of invaluable historic landmarks and of whole cities such as Dubrovnik is deplorable. However, the real tragedy is the day-to-day loss of human life. The people of Croatia live every moment in fear of another attack from the Yugoslav army. This is unacceptable.

Along with this government, I am opposed to the modification of any Yugoslav boundaries by the use of force. In addition, the forced evacuation of civilians that has occurred must stop. This is unacceptable.

I would encourage this government to do all that it can to ensure that international bodies such as the UN, the CSCE and the European community work diligently together to end the violence now.

* * *

[*Translation*]

SENATOR CLAUDE CASTONGUAY

Mr. Nic Leblanc (Longueuil): Mr. Speaker, Mr. Castonguay's resignation yesterday is a typical example of a great Quebecer who once again "made the effort". He wanted to meet the challenge and tackle the Canadian Constitution, but his attempts were foiled by the system. I wonder when people will finally realize that our federalist system does not work and cannot be changed. The division between Quebec and the rest of Canada is too great. So much energy, resources and people have been wasted in this process. I would ask my Conservative colleagues from Quebec to think about this. The present system is a cruel one. It is not worth sacrificing oneself for the lost cause.

* * *

QUEBEC CITADEL

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, today in *Le Soleil*, we read that renovations at a total cost of $403,000 will soon begin on the wing reserved for the staff of the Quebec Citadel. In fact, three additional rooms and an ironing room will be built, as well as four new offices and a refrigerated storage space for waste.

I think this amount of work on a building used as a residence by the Governor General of Canada for one week every year is unnecessary.

* * *

[*English*]

CARDIO PULMONARY RESUSCITATION

Mr. Eugène Bellemare (Carleton—Gloucester): Mr. Speaker, November is CPR Awareness Month.

The Heart and Stroke Foundation of Canada is launching this new annual event to promote heart healthy living and to encourage Canadians to become trained in the administration of cardio pulmonary resuscitation.

[*Translation*]

Every year, about 45,000 Canadians die of a heart attack. Heart disease and strokes are the main cause of death in Canada, taking nearly 80,000 lives each year. Individuals who take advantage of training in cardio pulmonary ressuscitation are able to recognize the symptoms of a heart attack, and they acquire the ability and skill to act in an emergency. As more people are trained in CPR, more lives can be saved.

[*English*]

Last June I sponsored with the encouragement of the Speaker a successful CPR information session for MPs, senators, staff and House of Commons personnel. Once again I am asking my colleagues to raise the awareness of CPR.

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GLOBAL VISION

Mr. Terry Clifford (London—Middlesex): Mr. Speaker, the Canadian economy is undergoing a fundamental transformation. This fact is making it more important than ever for Canadians to learn and know about international trade and competitiveness.

Global Vision: Our Competitive Advantage program, is a unique initiative designed to provide Canadian youth from every region of our country with the knowledge and understanding necessary to compete in the international marketplace. In effect, the Global Vision Program is producing a trade corps of young Canadians.

Global Vision participants, including Ms. Min Kim from your riding, Mr. Speaker, are viewing the proceedings in the House today and later will be with the special advisor to the OECD.

• (1410)

Congratulations to these Global Vision participants and special congratulations to the sponsors: Canadian Airlines, CIBC, London Life, Labatt's, Matthews Group, Bombardier, Noranda, Power Corporation, American Express, Aerospatiale, Japan Camera and Canadian Shipbuilding and Engineering.

The trade corps of young Canadians is on the move. Get ready Canada to catch the vision.

CROATIA

Mr. Lawrence MacAulay (Cardigan): Mr. Speaker, all Canadians are horrified at the news we are receiving from Croatia. For months now we have witnessed endless fighting between Croatian militia men and the Yugoslav federal army, a fight between self-determination and oppression.

In a nation divided by centuries of racial mistrust and hatred people are suffering. Ever since the federal army offensive began months ago innocent people have been dying. Every attempt to negotiate a cease-fire has failed and the intervention by the European community has not produced results.

As Canadians we should do everything we can to lessen the suffering on the innocent people. Hunger and death know no race or nationality. I call on the Canadian government to use every available means to end the death and destruction and to restore peace and harmony to this troubled part of the world.

* * *

[*Translation*]

LE MANOIR SULLY

Mr. Marcel R. Tremblay (Québec-Est): Mr. Speaker, November 8 was a happy day for about a hundred retired people in my riding because their wish became reality. On that day, their new residence, Le Manoir Sully, was officially opened.

This outstanding residence, with a style and beauty all its own, was built privately by Raoul Emond and will be managed by him and his wife Louise. His concern for environmental protection and his desire to pamper our seniors in this unmatched atmosphere ensure the success of his project and make it a model for those who want the later years of life to be most enjoyable.

* * *

[*English*]

ICEBREAKERS

Miss Deborah Grey (Beaver River): Mr. Speaker, I rise today to congratulate the innovative designers of the icebreaker *Oden*. This Swedish flagged ship designed in Alberta is the first non-Soviet icebreaker, as well as the first non-nuclear vessel of any nationality to reach the North Pole.

This is a monumental achievement for Canada, but unfortunately it has gone virtually unnoticed by the federal government.

Since 1969, when the U.S. ice strengthened oil tanker *Manhattan* ploughed through the northwest archipelago, Canada has been looking for a new polar icebreaker capable of patrolling all Arctic waterways and protecting Canadian sovereignty. Such an icebreaker could contribute significantly to oil exploration development in the north.

The development of such an icebreaker has proved fruitless, as in the Polar 8 project, a $650 million venture which was eventually scrapped. By way of contrast, the total design and building costs of *Oden* came in at a mere $55 million.

Why is this government not pursuing an evaluation of the *Oden* design icebreaker? Instead, the Canadian Coast Guard is attempting to modernize the 21-year old *Louis St. Laurent* to the tune of $140 million. That is enough to build at least two *Oden* vessels in a foreign yard or one *Oden* class craft in Canada with tens of millions of dollars in change.

When is this government going to get serious about containing costs and protecting Canadian sovereignty?

* * *

[*Translation*]

THE LATE GUY DESCARY

Hon. Bob Layton (Lachine—Lac-Saint-Louis): Mr. Speaker, I wish to share a few thoughts about Mayor Guy Descary.

Guy Descary was very devoted to his city, the fair city of Lachine. Since I was elected member of Parliament for Lachine—Lac-Saint-Louis in 1984, I had several opportunities to participate in events with the mayor. On every occasion, I was always impressed by his generosity, his ability, his aspirations, his appreciation of our heritage and his understanding of his citizens' needs.

Guy Descary initiated the waterfront redevelopment project and helped to create wonderful parks and develop culture, all of which make Lachine a good place to live for all its residents.

What else can one say, but "Thank you very much, Guy Descary."

* * *

[*English*]

TRADE

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, last week New Democrats started a tour across Ontario to speak out against the government's plans for free trade with Mexico.

One steelworker in Hamilton said: "This agreement will probably hurt us more, hurt our jobs, hurt us socially, than the deal with the United States". Yet today Canadian cabinet ministers are in Mexico. They have done nothing to show Canadians that such a deal will not lose as many jobs. They have done nothing to prove that the Mexican human rights record deserves special trade benefits from Canada. Yet the Conservatives supported by the Liberals go forging ahead.

We in the New Democratic Party say that it is time to stop. It is time to put people and Canada first rather than profits for companies that want to produce with low Mexican wages.

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[*Translation*]

SMOKED HERRING INDUSTRY

Hon. Jean Chrétien (Beauséjour): Mr. Speaker, I wish to draw the attention of the House to the current crisis in the smoked herring industry in Cap Pelé, New Brunswick.

The industry has come to a standstill, now that Haiti, its biggest market, has practically closed its doors to this trade. Plants will have to close and workers will be laid off. In Beauséjour, these lay-offs will hurt.

There is a temporary solution, but that depends on the Minister of Fisheries. The minister could use the Fisheries Prices Support Board to help the plants through this crisis.

[*English*]

I urge the government to act now through the Fisheries Prices Support Board and save the jobs in the herring industry in southeast New Brunswick.

QUALITY MANAGEMENT

Mr. Ross Stevenson (Durham): Mr. Speaker, it is well recognized that we have been losing the competitive edge for world markets. There are no quick fix solutions, but total quality management is becoming the criterion for progressive competitive companies on this continent.

It involves the employees and management working harmoniously in complete dedication to producing the highest quality goods and services by knowing and even exceeding customers' expectations.

As a national initiative total quality management will ensure lasting global competitiveness regardless of external considerations such as wage levels, interest, exchange rates or environmental costs. With Canada once again recognized world-wide for the quality of its goods and calibre of its people we will all enjoy a better quality of life.

I urge the federal government to encourage total quality management programs throughout Canada.

* * *

EAST TIMOR

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, this morning the BBC reported that the Government of Australia is reconsidering its formal recognition of Indonesia's sovereignty over East Timor in response to the recent massacre of close to 200 unarmed Timorese.

Canada has in recent years recognized Indonesia's rule in fact. This runs against the grain of international efforts to shed light on the horrendous human rights violations in East Timor. The International Red Cross has been denied access. Human rights workers are steering clear of the area as there are allegations that they are forcing the disappearance of witnesses to the massacre.

Will the government take immediate action to suspend Canadian aid to Indonesia until the review of Canadian aid and commercial activities in Indonesia is completed and will it press the UN Security Council for full implementation of Security Council resolutions 389 and 384? These are very strongly worded resolutions which direct Indonesia to withdraw its troops completely and

calls upon the international community to provide immediate assistance to the people of East Timor.

ORAL QUESTION PERIOD

[*Translation*]

AGRICULTURE

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, first of all, I would like to welcome back the Prime Minister from the Sommet de la Francophonie, in France, where he showed Canada and the world that there are French speaking Canadians across this country and that we all have an interest in the advancement of French language and culture, not only in Canada but throughout the world.

[*English*]

Now that we are back to local business my question is to the Prime Minister. Today more than 100 farmers and political leaders from western Canada are in Ottawa. They are here because the situation of our prairie farmers is desperate. All this government seems to be able to do at this time is stall for time.

Massive European and American subsidies are killing Canadian agriculture. Discussions at the GATT are going nowhere. I would like to make a suggestion to the Prime Minister.

• (1420)

Will the government convene an international summit on the grain price war with the Americans, the Europeans and the other producers outside GATT because we are going nowhere at this time within GATT?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we are dealing with this very important problem on an ongoing basis. As a member of the Cairns group Canada was the country that put the question of the trade distorting agricultural subsidies on the G–7 table in Tokyo in 1986. We have fought the issue through the GATT now for some years.

We are getting to the crunch momentarily. In Paris last week I had a lengthy working meeting with Jacques Delors, president of the community on precisely this point. We hope we will be able to persuade both the Europeans and the Americans to cease their suicidal subsidies that have the effect of not only distorting trade but driving Canadian producers out of business unfairly.

This is the exact type of reform that we are seeking through the GATT and through our ongoing international negotiations.

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, in the absence of the Minister of Agriculture I would like to ask the Prime Minister: While this government drags its feet on the money it has decided to give the farmers, Farm Credit Corporation is running around the prairies foreclosing on farmers. Families are being driven from the land they love.

If the government will not agree to give farmers the money they need right now, will the government instruct the Farm Credit Corporation not to foreclose on farmers who have to wait until next year to receive the money that this government has promised to them?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, a similar question was raised yesterday. If the hon. Leader of the Opposition has any examples of unjustifiable actions taken by the Farm Credit Corporation, I know that I would be interested in it and so would the Minister of Agriculture.

I think the hon. Leader of the Opposition would agree that the best way to solve the farm problem is to solve the trade problem. That is the number one initiative. That is the most important initiative that we are taking. The Prime Minister has provided leadership in the international forum in respect of that issue.

Back here we are supporting the agricultural industry and particularly the grains and oilseeds sector in an unprecedented fashion. If we compare the direct support that has been provided in the last five or six years as compared to the previous five years from 1981 to 1984, we will see that there is almost a sixfold increase in direct support.

As a matter of fact, as I indicated to the coalition of farmers that I met today, I reminded them that some $2.9 billion will be paid out in support of the grains and oilseeds sector and the agricultural sector between now and spring seeding. That is a substantial amount of money.

I realize that money has not flowed to the farmers yet but it is on the way.

[*Translation*]

Hon. Jean Chrétien (Leader of the Opposition): Mr. Speaker, I would like to repeat my question to the Minister of Finance. The agricultural industry, not only in Western Canada but across the country, is up against a very difficult situation. During the past few months, government ministers gave Ontario and Quebec farmers the assurance that Canadian producer boards were not threatened by GATT.

And now, all of a sudden, we read in the papers this morning that the Minister for International Trade and the Minister of Agriculture, who were in Mexico, were dispatched on short notice by the government to Geneva to discuss the matter of producer boards. Could the government tell Canadian farmers whether in addition to the problems facing western farmers, we are about to lose our producer boards at the current talks in Geneva?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I imagine that when he says "producer boards", the hon. member is referring to our agricultural marketing boards. The Canadian position, which is shared by all Canadian farmers, is that we not only support keeping article XI but we are also seeking clarification and reinforcement of that article. The Canadian position, which affects farmers across the country, is something we built together.

As the Leader of the Opposition just mentioned, the Minister for International Trade and the Minister of Agriculture are now in Geneva, with Canadian representatives of the agricultural industry, and they have been asked to continue to pressure both the Director General of GATT, Mr. Dunkel, and other delegations to maintain and reinforce article XI. That is the Canadian position, and we do not intend to change it.

[*English*]

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, my question is for the Deputy Prime Minister who says that his government is doing its best for farmers.

The fact is that the best of this government this year is not as good as what it did last year. Figures from Statistics Canada tell the story. In the first nine months of this year direct payments to farmers fell $700 million. That is 45 per cent.

The question is: Why has it chopped assistance to farmers when they need it most?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, we have not chopped assistance to farmers when they needed it most.

Some hon. members: Oh, oh.

Mr. Mayer: They laugh. We just announced $800 million a year ago. Do you want to laugh at that?

I was in the Soviet Union a month ago and the government provided $500 million of assistance to farmers that will let us sell 4 million tonnes of grain on behalf of western farmers.

We are in the process of putting out money under both NISA and GRIP, as the Deputy Prime Minister said, that is going to result in almost $3 billion being in the hands of farmers by next June. That is not an insignificant amount of money. I suggest it is an increase in the amount of money, if we include some of the other things we are doing like picking up the deficit in the wheat pool accounts and also looking at writing off the deficit in western grain stabilization.

That is a very large amount of money that represents an increase by this government at a time when farmers need it most.

Mr. John Harvard (Winnipeg St. James): Mr. Speaker, allow me to try the Deputy Prime Minister again.

The future of many farmers is not measured in months or years. It is often measured in days or weeks. In Saskatchewan two farm families leave the soil every day. Yet this government is telling farmers that many of them will have to wait until spring for their emergency help. For many farmers that will be too late.

My question for the Deputy Prime Minister is: Why does the government refuse to make its payments this year? Why do farmers have to wait until spring?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the member does a disservice by using that kind of explanation. That is not the case.

We are presently printing forms that are going to distribute $400 million of the $800 million, and some of that money will go out before Christmas. We are presently distributing money under NISA. That program is just up and running and farmers are now, just as a result of the provincial governments sending out confirmations under GRIP, are getting money under GRIP as well.

In addition, with the extra grain sale of 4 million tonnes, a record amount of grain is going to move between now and the end of March. When we put all those things together, farmers are not going to have to wait very long to get the assistance they deserve from this government.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, my question is for the same minister. He knows that farmers are not easily riled, they are generally a fairly long suffering group and very knowledgeable about what the government is doing.

In spite of all that, the minister surely knows about the large rallies and the delegation that has come out of those rallies here today, indicating that the farmers' analysis is that the government has not properly looked after their interests, has not guaranteed their net income and that the third line payment was not adequate, leaving Saskatchewan farm families, for example, with net incomes that will be less than $6,500 per family or a third of the poverty level in this country.

Is the government going to provide a proper third line of defence payment and address the needs the farmers are presenting?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, there is absolutely no question that these are very disconcerting and in some cases desperate times, on behalf of Canadian grain and oilseeds producers.

I had a chance to attend four of those meetings on the prairies. I should also point out that this is not only a problem for the prairies. It is a problem for Ontario and other parts of the country that produce grain as well. It might be good for all of us to know that on average Ontario produces more grain than the province of Manitoba. Therefore it is very much a problem outside the prairies and we are doing our very best to address it.

No matter how much money we put out, it is not the real solution to the problem. The solution to the problem is some sanity in international trade. I disagree with the Leader of the Opposition when he says that GATT is going nowhere. Fortunately, I think he is wrong because for the first time in over five years of GATT meetings we have had genuine discussions as to how we can deal with agricultural subsidies. That is providing a hope for a settlement.

• (1430)

Second, the member should know, and he probably does know this as a farmer, that in the last little while we have seen an increase in grain prices. In fact, yesterday we raised the initial payment for malting barley and we are going to be looking at what we can do with initial payments on wheat before Christmas.

Mr. Vic Althouse (Mackenzie): Mr. Speaker, the Statistics Canada report that came out today states that not only have net farm incomes not been keeping up, but the farmers have had no choice except to offset the drop in incomes with increased debt.

How does he expect Canadian farmers to compete in a post–GATT world, for which we have been waiting five or six years now, when our debt levels are going up and virtually all of our competitor countries are seeing farm debt going down? What is he going to do to address the farm debt problem, since he has already indicated what little he has proposed to do on the income side?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, the opposition keeps talking about what little we have done. The government this year is going to provide $3.8 billion in direct support. That is in addition to other programs that are ongoing. So while he may not think it is enough, at least he should give credit where credit is due: $3.8 billion is a lot of money.

It is a very difficult situation out there internationally. Countries like Canada, Australia and Argentina, where a large percentage of their earnings depend on exports, are in a very vulnerable position. That is why we have been pursuing the GATT negotiations with such vigour. Everybody, including the Prime Minister and the rest of us, at every occasion have been raising this.

In addition to two of our ministers being in Geneva today to talk about article XI, they are also there talking about what we can do to reduce export subsidies, to finally get our farmers to be able to compete with other farmers in other parts of the world, as opposed to treasuries. We know in that kind of a competition we cannot win.

Mr. Rod Laporte (Moose Jaw—Lake Centre): Mr. Speaker, one of the problems is the fact that this government has failed to bring in policies that are going to deal adequately with the agriculture needs of farm families in this country.

My question is for the Prime Minister. Statistics Canada announced today that in 1990 farm debt in Canada was at $24 billion, a dramatic rise over the year before. In Saskatchewan alone two farmers are forced off the farm every day.

Will the government call an immediate halt to farm foreclosures until the Minister of Agriculture does his job and introduces a farm finance package that has been promised since 1989 and that will deal with the farm debt and high interest rates that are cutting the heart out of rural Canada?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, there is no question but that there is a need out there. I understand that there are people who are having a difficult time just meeting family expenses. That is what is so ironic and makes me so furious about this situation because it is something that our farmers did not deserve. They are good at what they do.

I would be more than happy to take his representation to the Minister of Agriculture, who has responsibility for the Farm Credit Corporation, to see what we can do to alleviate the situation.

If he is talking about moratoriums, I am not so sure that that is the right way to proceed. We went through that in this House six or seven years ago. I should point out that we have in place farm debt review boards, and the Farm Credit Corporation has a mandate to work with farm debt review boards as well as other financial institutions to deal with this situation.

Let me say again that I understand and the government also understands the serious problem that farmers are facing as far as farm closures are concerned. We are going to do the very best we can to deal with it.

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my question is for the Prime Minister.

Poverty and its associated stress is a dreadful reality for hundreds of thousands of Canadians today and a terrifying prospect for many more. Among those suffering most acutely are our nation's farmers.

The average net income of a Saskatchewan farmer this year is only $6,300—$6,300 after working his or her own farm seven days a week to feed each one of us. Continued poverty financing of our farmers will lead us all to the food banks, but food banks with no food.

Will the government redress its priorities today and assure farmers and all Canadians food security for tomorrow?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, in one sense Canada is very much blessed with a relatively small population and an ability to produce food vastly superior to our needs. That is why we are so dependent on exports for farmers' incomes.

Let me speak as a farmer. The irony is that while we are good at what we do, it does not seem to count any more in the international marketplace where we earn our money.

We have been doing everything we can as a government to first, support reform internationally and second, to provide increasing amounts of support. This year we are spending $3.8 billion. That sounds like a big number but when it gets to the individual farmer we know that, in many cases, it is not enough. Third, we must do what we can to assist farmers to sell into a very difficult market. We have not backed away from supporting the Canadian Wheat Board and producers elsewhere they export their grain.

Through those three measures, if we can have a settlement at GATT, and I think there is some considerable optimism that we will get through this difficult period and our farmers again will earn the income they deserve.

CHILD CARE

Mrs. Christine Stewart (Northumberland): Mr. Speaker, my supplementary question is also for the Prime Minister.

Canada's economic health is important, but health is irrelevant if the patient, our society, is *in extremis* or dead. Poverty is killing our society. Over one million children, our nation's future, are being sacrificed on this government's altar of unfair economic policies.

Will the government reassess its bankrupt policies today, relieve the distress of our poor and immediately set family life, full employment and adequate housing as its first priorities?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I do understand that the question could be addressed in terms of poverty for children. I believe I answered a similar question yesterday when I said that we already put $15 billion a year into the system for children, which is about one-tenth of all government spending.

I do not say again that it is too much, but I say that is the capacity we have.

At the same time, I agree that as long as we have children who are poor we have to do something and that is what we are trying to do. I am working out a strategy which I believe I can unveil sometime at the beginning of next year. It will help, but it will be done within the capacity we have to pay for it.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Employment and Immigration.

Unemployment Insurance offices have huge backlogs and the Pie IX office in the riding of Saint-Léonard is no exception. Since November 4, it has received over 1,850 new applications for employment insurance. Only 329 have been settled so far, due to lack of funds and staff.

Does the minister have any explanation for the fact that it takes more than 12 weeks for someone to receive an unemploymnent insurance cheque, and will the minister do something about the backlog in all offices, not only in Saint-Léonard but across the country?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, it is rather difficult for me to comment at length on the situation at the office in Saint-Léonard. If I had received notice of the question, I would have been able to provide more details.

There were some delays this fall because of the problems we had with the Public Service, but departmental management tells me that steps are being taken every day to try to speed up payment of unemployment insurance benefits to recipients.

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Minister, I described the situation in my riding, but the problem exists across the country. If the minister does not know about it, I think the unemployed in our country will have some very serious problems before Christmas.

I have another case for the minister. Lyne Normandin, a woman who lives in my riding and who just had an operation, filed her unemployment insurance claim on time. She even added a second medical statement, as required by the officer. Now she has just heard that her file was lost and she has to submit another medical statement. This means she will have to spend money to get the statement, without having received any unemployment insurance benefits.

What is this lady expected to do during the next four weeks?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, under the Privacy Act I cannot comment on individual cases, but the hon. member has mentioned a case I would like to look into personally, because it is intolerable that someone in that situation should be made to suffer because of delivery problems.

I certainly would like to look into the particular case the hon. member just described.

• (1440)

[*English*]

GRAIN EXPORTS

Mr. Rod Murphy (Churchill): My question, Mr. Speaker, is for the Prime Minister. The farm delegation that is here today realizes the government cannot do everything, but there are some things that it can do.

Since the Prime Minister is aware that U.S. grain subsidized by the export enhancement program has resulted in American sales in Canadian markets in North Africa, the Mediterranean area, the Philippines and elsewhere, will the government agree to the request of the farm coalition and lead a Canadian lobby group to Washington in order to seek agreement that despite what the Europeans may do, that North Americans, who are still the dominant players in grain exports, will not drop prices in each other's traditional markets?

Hon. Charles Mayer (Minister of Western Economic Diversification and Minister of State (Grains and Oilseeds)): Mr. Speaker, we do that on a regular basis, raise with the Americans the concerns we have over how they use their export enhancement program.

I should also point out to the member that if he is concerned about the Americans, and he should be and we all are—I can give him examples of what they have done in Algeria with Durum—he should be equally more concerned about the Europeans. The Europeans now are regularly subsidizing exports to the tune of almost $200 a tonne where the Americans do not subsidize everything. When they do their subsidies run as high as $60 and $70 a tonne.

We have been making our case with the Americans, and at the same time raising considerably more commotion with the Europeans over what I view to be the largest problem in international markets and that is export subsidies by the Europeans.

CHILD CARE

Mr. Bill Blaikie (Winnipeg Transcona): Mr. Speaker, my question is for the Prime Minister. Surely the Prime Minister is not going to sit out a Question Period which is trying to address a major crisis—

Some hon. members: Oh, oh.

Mr. Speaker: The hon. member will put his question but that is an improper imputation.

Mr. Blaikie: Mr. Speaker, my question is for the Prime Minister. The minister of health has said that the government only has so much money to spend on children. The fact of the matter is that 49 per cent of the people who are using the food banks which are springing up all over prairies and rural Canada are children.

I ask the Prime Minister: Is he going to make the commitment today to eradicate food banks on the prairies or does he want food banks to become monuments to his term in office?

[*Translation*]

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, I think once again that the hon. member raises rather the issue of poverty itself, particularly in relation to children and food banks. Again, food banks are mechanisms of last resort and I think everybody agrees with that. However, in the present circumstances, I repeat what I said earlier: The government presently invests more than $15 billion in programs aimed directly at children both through tax measures and direct programs. I think Canadians as a whole should assume responsibility for the fight against poverty, especially through an improvement in the economic situation. I think that we all agree on that, but again, we must do it through the means at our disposal, particularly at the financial level.

* * *

[*English*]

REGIONAL DEVELOPMENT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my question is for the Prime Minister. It concerns the deepening crisis in the Cape Breton economy.

On the weekend thousands of Cape Bretoners marched in Sydney calling for jobs and dignity. Today Stora Forest Industries, one of the island's most important employers, laid off 30 employees, some of whom have been working there for up to five years. Come Christmas the whole mill, 1,000 workers, will be shut down because of the desperate state of the Canadian forest industry. Hundreds of fish plant workers will lose their jobs if fish quotas are cut again this year.

Will the Prime Minister recognize the gravity of this situation and convene a special meeting of his officials and local leaders to deal with this urgent situation?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member points to Cape Breton and the difficulties that people are experiencing there. He will acknowledge I am sure that the Atlantic Canada Opportunities Agency, the Department of Fisheries and Oceans and other government agencies are trying to work with the people of Cape Breton to try to alleviate those problems.

We would like to be able to tell the hon. member that we can change this overnight. He knows it is impossible. In the meantime programs under employment and immigration are available for the people who have to adjust to the reality of the difficulty there.

I am ready and officials in the department are ready to continue working with the people of Cape Breton to try to improve their situation.

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso): Mr. Speaker, my supplementary question is also for the Prime Minister.

The crisis in the Cape Breton economy is a direct result of his government's high tax, high dollar and high unemployment policies. His prosperity propaganda has been calling for partnership. Why will he not show some partnership with Cape Bretoners and direct his senior officials to work out with our local leaders an urgent program for economic recovery?

Hon. Bernard Valcourt (Minister of Employment and Immigration): Mr. Speaker, the hon. member may try to make the people in Cape Breton believe that this all started with the economic policy that we are pursuing. However, even I and young Atlantic Canadians remember prior to 1984. Never has a government pursued an economic policy which translates right now into lower inflation and into lower interest rates. Even in Cape Breton they will acknowledge that low interest rates is the best way of creating jobs.

* * *

FISHERIES

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, my question is for the Secretary of State for External Affairs.

Foreign overfishing continues to decimate the fish stocks and wipe out jobs by the thousands in Atlantic Canada. In the last year alone she will know that the European community caught 98,000 tonnes on the Grand Banks, six times the allowable quota. This has been going on for seven years, the first four of which the government was absolutely silent on the problem and the last three of which the government has paid lip service to the issue.

Will she now admit that her colleague's rhetoric has not worked the magic that had been hoped for, and will she indicate what plan B is to get the Europeans off the backs of the fishermen down there?

Hon. Barbara McDougall (Secretary of State for External Affairs): Mr. Speaker, neither my colleague nor myself indulge in empty rhetoric. We have worked extraordinarily hard. We have a special ambassador who is dealing with the fishery issue with the European community.

I spoke with the Portuguese foreign minister, the incoming president of the European community, at the NATO summit. We are going to stay in touch on this issue. He knows of our grave concern. He is personally sympathetic to our interests and we will continue to work very hard both directly and through our ambassador.

Hon. Roger C. Simmons (Burin—St. George's): He is showing his continued sympathy by allowing his fishermen to continue to rape the fish stocks out there. The Newfoundland premier, Mr. Wells, says that the time for diplomacy has all but run out and calls for some bolder action. He has called for an international police force to counteract the overfishing piracy.

Is it the intention of this government to pursue the idea of a police force, which I understand the fisheries minister favours? Is this minister prepared to pursue that idea with the other affected countries, or what is her

idea? What bold action does she have in mind now that the talk has not worked?

Hon. Barbara McDougall (Secretary of State for External Affairs): First of all, Mr. Speaker, it is not fair to say that the talk has not worked. This is a long, arduous and difficult process. It is as frustrating for us as it is for anybody, because we are working very hard in the interests of our Newfoundland fishermen.

In my view the plan proposed by the premier of Newfoundland is not a realistic one, but we are prepared to work with our allies and other interested parties. We certainly agree with the thesis that there must be better control of the navigable waters and of all zones off the coast of Canada.

* * *

AGRICULTURE

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, my question is for the Prime Minister.

Canadian farmers fear that this government might abandon its system of protecting poultry, egg and dairy production as a result of the ongoing GATT negotiations. I emphasize that the very future of Canada's dairy and poultry industry essentially hangs in the balance.

My question for the Prime Minister is: What specific measures is the government prepared to take at this time to ensure that Canada's supply management structure remains intact? Can his government give Canada's agricultural community the assurance that tariffication will not be used as a fall back position in the ongoing GATT negotiations?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, as we mentioned many times, Canada has put in place its position on the GATT negotiations after full consultation with farm leaders across the country. Those farm leaders are with the Minister for International Trade and the Minister of Agriculture in Geneva today to work and to look at the situation.

• (1450)

As we know, the tariffication is not acceptable for a supply management system in Canada. We said that in the past and it is still our position.

We are following closely with our negotiators in Geneva. They are going to meet with Mr. Dunkel. We will stand by our position and I think farmers could count on us to maintain our position on that.

Mr. Lyle Dean MacWilliam (Okanagan—Shuswap): Mr. Speaker, the Americans have been the main protagonists in the push to remove supply management in the current GATT negotiations. They have crippled our wheat industry and now they are after our marketing boards.

Does the minister recognize that once poultry and dairy are removed from commodity controlled protection, it is only a matter of time before those industries are gone? Is the minister prepared to get tough with the Americans and exercise Canada's option to cancel the free trade agreement should our agricultural industries be any further threatened?

Some hon. members: Hear, hear.

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, I do not really understand. As you know and as the hon. member should know, we have protected totally the supply management system during our negotiations with the United States. We still stand by that.

* * *

LOAN SHARKING

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my question is for the same minister but in his capacity as consumer and corporate affairs minister. It concerns a disturbing development in the Toronto area.

Because banks have recently been reluctant to extend consumer credit in the form of personal loans, many people have turned to a new class of loan sharks. These financial entrepreneurs are charging hundreds of dollars up front to make an application for a bank loan. Of course most people find they pay the fee and get nothing.

Because there is no existing legislation to prevent this activity, will the minister agree to look into the situation and either act himself to prevent it from continuing or urge provincial governments to do the same?

Hon. Pierre Blais (Minister of Consumer and Corporate Affairs and Minister of State (Agriculture)): Mr. Speaker, it is a very important issue.

As my hon. friend should know we do not have real jurisdiction on that. It is under provincial jurisdiction. Given that right now interest rates are around 8 per cent for a mortgage it is very good. That is the lowest interest rate over the last eight years.

Some hon. members: Where, where, where?

Mr. Blais: It is everywhere in the papers today. I understand that it is a very important problem. I will ask my deputy minister to be involved with their counterparts at the provincial level to look at this important matter.

* * *

EXPORT MARKET DEVELOPMENT

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, after only seven months the funds for the program for export market development have been spent for this year, and that at a time when Canada for the first time in 15 years has registered a trade deficit.

Is it the government's intention to transfer more funds into the program without further delay, or has it now decided simply to let it fall by the wayside?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, the government is very happy indeed that the PEMD has been so successful. We have had so many applications that we have indeed run out of money in that particular program.

What we are going to do is to seek further funding from existing budgets and transfer it to PEMD.

Hon. Roy MacLaren (Etobicoke North): Mr. Speaker, three years ago the government undertook a study evaluating all its export promotion activities. Was this current lack of funding for PEMD not foreseen? When will the government table its report on its export promotion activities, or is this yet another example of the government delaying action behind the facade of more and more consultations?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, I would think it is exactly the opposite. In fact it is a good illustration of how successful we are becoming in terms of promoting exports in the prosperity agenda. We have had many applications, far more than ever before, for the PEMD operation. That is exactly what I assume this House wants.

* * *

[*Translation*]

ENERGY

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. The last budget and the estimates clearly set out the government's energy priorities. In its budgetary choices, the government allots sixteen times more money to polluting energies than to clean energies. The green plan tells us that environmental studies should have been done a long time ago on all government policies, including energy policies. My question is this. When will the Minister of Energy, Mines and Resources do his homework as promised?

[*English*]

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, I say to the hon. member that I think his characterization of clean energy and alternate energy is not accurate.

For instance, does he want the minister of energy to abandon the oil industry in Canada? Does he want the minister of energy to abandon the gas industry in Canada? Does he want the energy minister of Canada to abandon coal? Does he want the energy minister to abandon hydraulic power?

I say to the hon. member that there has to be a balance. That is why we brought in an alternate energy program. I announced another aspect of it in Winnipeg last week. We got good publicity on it even during the time of a great Grey Cup in Winnipeg.

Therefore I say to the hon. member that he should do his homework and he will see that we have been doing it.

Mr. Paul Martin (LaSalle—Émard): Mr. Speaker, all I really want is for the government to do what it promised in the green plan; nothing more, nothing less. I will ask my question and perhaps the Minister of the Environment would like to try to answer it.

The budget is one of the most important environmental tools at a government's disposal. The green plan states clearly and I quote: "An environmental assessment will be made public at the same time that

government policy is announced". Despite this, as we have just seen from his colleague, the Minister of the Environment has been repeatedly brushed aside like an old shoe by his colleagues.

Some hon. members: Oh, oh.

Mr. Martin: Mr. Speaker, like a young shoe.

My question is: Will the minister undertake before this House that when the next budget is brought down an environmental assessment of all of its components will be tabled simultaneously? That is the promise of the green plan. Will the minister commit to keeping his promise?

Hon. Jean J. Charest (Minister of the Environment): Mr. Speaker, I am glad that the hon. member for Lasalle—Émard would rectify himself and at least say that I am a young shoe since I always felt that I have a lot of soul.

Some hon. members: Oh, oh.

Mr. Charest: Mr. Speaker, I am glad that the hon. member attracts attention to the fact that this government has committed itself since June 1990 to doing environmental assessments of policies that make their way through the cabinet system.

In fact we are one of the only governments in the world that has obliged itself to this process. It is so new that there is very little methodology around the world from which we can borrow to undergo this process. It is a very important challenge for this government. It would be a very important challenge for any government in the world to do what we have committed to do. We have made great progress in that area. He has witnessed that, and we will continue to make great progress in that area as we today are meeting all the commitments we have made in Canada's green plan.

* * *

CANDU III

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources.

Some months ago the minister announced that the agreement had been reached with the Conservative Government of Saskatchewan for development of the CANDU III nuclear power prototype in that province. This followed several months of unproductive negotiations with the Government of New Brunswick.

Subsequently, as we all know, a New Democratic government was elected in Saskatchewan and a policy conference by that party has recommended that the CANDU III nuclear development agreement be abandoned.

Will the minister please advise if the CANDU III nuclear agreement ever was actually signed with the Government of Saskatchewan, and has the new government confirmed its commitment to it?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, there was a memorandum of understanding signed between the Government of Canada and the then Government of Saskatchewan. In the memorandum of understanding which was then followed by an agreement between Sask Power and Atomic Energy of Canada there is a period of time, namely of six months, whereby the feasibility of a CANDU III system for Saskatchewan is to be explored.

• (1500)

Additionally thereto Saskatchewan would have tremendous advantages in terms of a world mandate on licensing. This would create for Saskatchewan not only the diversification that some people of Saskatchewan look for but which we also need in terms of the kinds of questions that were asked today about the agricultural community and the diversification we need on the prairies.

There is also a back-out clause of $2 million, but I say to the hon. member that the Government of Saskatchewan will examine this and will have to make a determination whether it wants to go this route. I remind the hon. member that Saskatchewan presently provides 20 per cent of the world's uranium. I believe it has the most cost effective uranium mining virtually in the world today. It is the largest single private employer in Saskatchewan, and I would think the Government of Saskatchewan would want to think long and hard before banning the nuclear option.

Mr. J. W. Bud Bird (Fredericton—York—Sunbury): Mr. Speaker, in view of the uncertainty that does exist in Saskatchewan concerning this project, is the minister ready to receive competitive initiatives from other provinces of Canada, notably from New Brunswick where I understand that belatedly keen interest still does exist?

Hon. Jake Epp (Minister of Energy, Mines and Resources): Mr. Speaker, as the hon. member knows, we will fulfil our obligations between Canada and Saskatchewan. That notwithstanding, as the hon. member has pointed out we have had negotiations with N.B. Power. I would like to move forward on those negotiations. If the Government of New Brunswick and N.B. Power are willing to sit down with us, we are ready to do that.

I say to the hon. member that Canada's reputation in this field is second to none. The CANDU system is a good system. May I say to him as well that the best single plant over the last number of years on a world scale has been Lepreau I in New Brunswick.

* * *

[*Translation*]

MANAGEMENT OF PUBLIC FINANCE

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, my question is for the Minister of State for Finance, in the absence of the Minister of Finance.

I would like the minister to tell us why his government decided to issue indexed Canada bonds that pay less interest in the short term but put more of the deficit burden on future generations.

Higher unemployment insurance premiums and many government decisions are intended to tell us not to pass on the cost of deficits to future generations. Now they are doing exactly the opposite!

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, in managing the public finances, in particular revenue and the debt and deficit, the government has a very wide range of options, including indexed bonds, of course.

This is not a widespread policy but it is used in some cases because we think that at a particular time, the market is more receptive to it and thus we can manage our debt to best advantage.

* * *

[*English*]

AIRPORT SECURITY

Mr. Iain Angus (Thunder Bay—Atikokan): Mr. Speaker, my question is for the Minister of State for Transport regarding the awarding of a security services contract by Air Canada at Halifax, Saint John, Moncton and Fredericton airports.

An announcement by the then Minister of Transport in July 1988 said:

> These initiatives should help reduce the turnover rate among airport screening personnel and—airlines will include a specification to protect current employees' wages and fringe benefits at the level of the existing contract.

I want to ask the minister: Why has the government not followed through with its policy? Why is it allowing a new company to come in to displace most of the workers and to pay the new workers at a level much less than the contract rate? What is the government going to do to live up to its commitment?

Hon. Shirley Martin (Minister of State (Transport)): Mr. Speaker, as the hon. member knows, the contracts are negotiated between the airlines and the screening contractors. The policy that was announced in 1988 did in fact agree that on re-hires those wages would be protected. In the case of where new employees are hired that policy does not apply.

* * *

[*Translation*]

MINING

Mr. Guy Saint-Julien (Abitibi): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources.

For several months, those interested in Quebec's mining industry have been waiting for a new mineral development subagreement in Quebec.

Can the minister tell us today whether Quebec has indicated to the federal government that it intends to sign a new agreement for the Quebec mining industry? If so, will this agreement be signed before the next federal budget?

Hon. Benoît Bouchard (Minister of National Health and Welfare): Mr. Speaker, the Government of Quebec has set its priorities for regional development agreements. They are industrial development, forestry and tourism. Mining comes fourth. However, I met the Quebec minister of Energy, Madam Bacon, last night. She told me about her concerns. I told her that the Government of Canada would consider Quebec's priorities as its own, since the Government of Quebec always determines the order of priorities for its regional development.

[*English*]

PRESENCE IN GALLERY

Mr. Speaker: I wish to draw the attention of members to the presence in the gallery of the Hon. Gerry Ducharme, Minister of Government Services and Minister responsible for Seniors from the province of Manitoba.

Some hon. members: Hear, hear.

Mr. Speaker: I also wish to draw the attention of members to the presence in the gallery of the Hon. Bernhard Wiens, Minister of Agriculture from the province of Saskatchewan.

Some hon. members: Hear, hear.

* * *

[*Translation*]

ROYAL ASSENT

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that a communication has been received as follows:

Rideau Hall
Ottawa

November 26, 1991

Sir,

I have the honour to inform you that the Hon. Claire L'Heureux-Dubé, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate Chamber today, November 26, 1991, at 3.30 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,
Anthony P. Smith
Deputy Secretary Policy, Program and Protocol

[*English*]

* * *

POINT OF ORDER

BILL C-35—PROCEDURAL ARGUMENTS

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, on Friday, while debating Bill C-35, we had suspended the debate pending a ruling by the Chair with regard to certain procedural arguments that I had raised on that particular occasion.

I am wondering if the Chair could indicate to the House as to when we might expect a ruling. We are proceeding with debate this afternoon on some of the legislation which had been referred to in the procedural arguments that I had raised. I am wondering if the Chair could see its way clear to inform the House as to an approximation of when this decision will be made.

[*Translation*]

The Acting Speaker (Mr. DeBlois): At this time I have no indication from the Chair regarding the question raised by the hon. member. That said, I think that the hon. member's interest has been duly noted and the Chair will provide an answer as soon as possible.

GOVERNMENT ORDERS

[*English*]

BANK ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-19, an act respecting banks and banking, as reported (with amendments) from the Standing Committee on Finance; and the motion of Mr. Rodriguez (p. 5340).

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 2 standing in the name of the hon. member for Nickel Belt. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

• (1510)

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

[*Translation*]

We now proceed to Motion No. 3, standing in the name of Ms. Callbeck.

Ms. Catherine Callbeck (Malpeque) moved:

Motion No. 3.

That Bill C-19 be amended in Clause 324 by adding immediately after line 31 at page 168 the following:

"(3) A person who in good faith makes an oral or written communication under subsections (1) or (2) shall not be liable in any civil action arising therefrom.

[*English*]

She said: Mr. Speaker, this is the same motion that I spoke to yesterday regarding Bill C-4, the trust bill.

What this motion does is protect people who provide information to the auditor in good faith. It is a motion which I feel will improve the soundness of Canadian financial institutions because it prevents a lawsuit against anyone who has information which could help the auditor or an actuary in his work.

I feel this protection is important because an employee may have information that would help an auditor prepare a better audit or a more thorough audit, but that person may be reluctant to come forward because of fear of a lawsuit.

This amendment would clear the way for that person to come forward to the auditor or to the actuary, give them information, which as I said could help the auditor prepare a better audit, better financial statements, and so could improve the soundness of Canadian financial institutions.

Mr. Speaker, because of those reasons I would encourage all members of this House to support this motion.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I want to compliment the member for Malpeque for this well-reasoned amendment. As in Bill C-4, I have an amendment, which I am sure the hon. member for Malpeque would accept, to the English version. It is our view that the English version that I am now submitting is more appropriately in line with the existing French version. With the unanimous consent of the House, I would like to have the motion made by the hon. member for Malpeque altered in the English version so that the English version will read:

(3) A person who in good faith makes an oral or written communication under subsections (1) or (2) shall not be liable in any civil action arising from having made that communication.

I believe that is acceptable to my friend from Malpeque.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, since we in this corner of the House so ably defended that motion yesterday afternoon, and in fact forced the government into accepting it, we have no problem with the same principle of whistleblowing being applied in Bill C-19 as was in Bill C-4.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent for the amendment?

Some hon. members: Agreed.

Amendment (Mr. Blenkarn) agreed to.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion, as amended?

Some hon. members: Agreed.

Motion No. 3, as amended, agreed to.

The Acting Speaker (Mr. DeBlois): Motions Nos. 2A and 2F are grouped for debate.

[*Translation*]

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved:

Motion No. 2A.

That Bill C-19 be amended in Clause 308 by striking out line 3 on page 161 and substituting the following:

"ing principles, the primary source of which is the Handbook of the Canadian Institute of Chartered Accountants."

Motion No. 2F.

That Bill C-19 be amended in Clause 323 by striking out line 47 on page 167 and substituting the following:

"generally accepted auditing standards, the primary source of which is the Handbook of the Canadian Institute of Chartered Accountants."

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, these two motions do the same thing. They incorporate the Canadian Institute of Chartered Accountants Handbook as the standard of care that we require from auditors and accountants certifying the statements of financial institutions. The concept was produced by the Senate in its review of the bill. We are very pleased to go

along with it, and I believe the House ought to do so also, as it did in Bill C–4.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

Ms. Callbeck: Mr. Speaker, could I have you repeat the question, please?

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 2A standing in the name of the Minister of State for Finance. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 2A agreed to.

The Acting Speaker (Mr. DeBlois): The vote on Motion No. 2A applies to motion No. 2F.

Motions Nos. 2B, 2D, 2E, 2G, 3A, 3B, 3C, 3D, 3E, 3F and 3G are grouped for debate.

[*Translation*]

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 2B.

That Bill C–19 be amended in Clause 314:

(*a*) by striking out lines 5 to 11 at page 163 and substituting the following therefor:

"314.(1) The shareholders of a bank shall, by";

(*b*) by striking out line 17 at page 163 and substituting the following therefor:

"(2) The remuneration of the".

The Acting Speaker (Mr. DeBlois): Since these motions are by the same mover, I suggest that the Chair, in order to accelerate the proceedings, be allowed to dispense with reading the other motions. Shall I dispense?

Some hon. members: Agreed.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 2D.

That Bill C–19 be amended in Clause 320 by striking out line 10 at page 166 and substituting the following therefor:

"320.(1) The auditors of a bank".

Motion No. 2E.

That Bill C–19 be amended in Clause 323:

(*a*) by striking out line 34 at page 167 and substituting the following therefor:

"323.(1) The auditors of a bank";

(*b*) by striking out line 43 at page 167 and substituting the following therefor:

"(2) The examination of the".

Motion No. 2G.

That Bill C–19 be amended in Clause 324:

(*a*) by striking out line 1 at page 168 and substituting the following therefor:

"324.(1) On the request of the";

(*b*) by striking out lines 12 and 13 at page 168 and substituting the following therefor:

"as are, in the opinion of the auditors, necessary to enable the audi–";

(*c*) by striking out line 16 at page 168 and substituting the following therefor:

"On the request of the audi–";

(*d*) by striking out line 26 at page 168 and substituting the following therefor:

"opinion of the auditors, neces–";

(*e*) by striking out line 28 at page 168 and substituting the following therefor:

"of the auditors of the bank; and";

(*f*) by striking out line 29 at page 168 and substituting the following therefor:

"(*b*) provide the auditors with".

Motion No. 3A.

That Bill C–19 be amended in Clause 325:

(*a*) by striking out line 33 at page 168 and substituting the following therefor:

"ing, require that the auditors of a";

(*b*) by striking out line 35 at page 168 and substituting the following therefor:

"extent of the procedures of the";

(*c*) by striking out line 38 at page 168 and substituting the following therefor:

"the auditors enlarge or extend the";

(*d*) by striking out line 41 at page 168 and substituting the following therefor:

"any particular case, and the audi–";

(*e*) by striking out line 46 at page 168 and substituting the following therefor:

"require that the auditors of a bank".

Motion No. 3B.

That Bill C-19 be amended in Clause 326

(*a*) by striking out line 16 at page 169 and substituting the following therefor:

"326.(1) The auditors shall, not";

(*b*) by striking out lines 23 and 24 at page 169 and substituting the following therefor:

"tion (1), the auditors shall state whether, in the opinion of the";

(*c*) by striking out lines 34 and 35 at page 169 and substituting the following therefor:

"(2), the auditors shall include such remarks as the auditors consider".

Motion No. 3C.

That Bill C-19 be amended in Clause 327

(*a*) by striking out line 3 at page 170 and substituting the following therefor:

"327.(1) The auditors of a bank";

(*b*) by striking out line 11 at page 170 and substituting the following therefor:

"(2) A report of the auditors".

Motion No. 3D.

That Bill C-19 be amended in Clause 328:

(*a*) by striking out line 17 at page 170 and substituting the following therefor:

"328.(1) It is the duty of the";

(*b*) by striking out lines 22 to 24 at page 170 and substituting the following therefor:

"auditors affecting the well-being of the bank that in the opinion of the auditors are not satisfactory and require";

(*c*) by striking out line 26 at page 170 and substituting the following therefor:

"erality of the foregoing, the audi-";

(*d*) by striking out line 30 at page 170 and substituting the following therefor:

"come to the attention of the";

(*e*) by striking out line 32 at page 170 and substituting the following therefor:

"auditors have not been within";

(*f*) by striking out line 38 at page 170 and substituting the following therefor:

"which, in the opinion of the";

(*g*) by striking out line 44 at page 170 and substituting the following therefor:

"opinion of the auditors, the";

(*h*) by striking out line 47 at page 170 and substituting the following therefor:

"(2) Where the auditors of a";

(*i*) by striking out line 1 at page 171 and substituting the following therefor:

"(*a*) the auditors shall transmit";

(*j*) by striking out line 10 at page 171 and substituting the following therefor:

"(d) the auditors shall, at the".

Motion No. 3E.

That Bill C-19 be amended in Clause 330

(*a*) by striking out line 31 at page 171 and substituting the following therefor:

"330.(1) The auditors of a bank";

(*b*) by striking out line 38 at page 171 and substituting the following therefor:

"audit committee, the auditors".

Motion No. 3F.

That Bill C-19 be amended in Clause 331:

(*a*) by striking out line 42 at page 171 and substituting the following therefor:

"331.(1) The auditors of a bank";

(*b*) by striking out line 48 at page 171 and substituting the following therefor:

"auditors of the bank and on".

Motion No. 3G.

That Bill C-19 be amended in Clause 332

(*a*) by striking out line 5 at page 172 and substituting the following therefor:

"and the auditors of the bank of";

(*b*) by striking out lines 9 and 10 at page 172 and substituting the following therefor:

"which the auditors or any former auditors have reported.";

(*c*) by striking out lines 15 and 16 at page 172 and substituting the following therefor:

"ment on which the auditors reported and in the opinion of the";

(*d*) by striking out line 18 at page 172, in the English version only, and substituting the following therefor:

"terial, the auditors or former audi-";

(*e*) by striking out lines 21 and 22 at page 172, in the English version only, and substituting the following therefor:

"(3) When under subsection (2), the auditors or former auditors of a".

[*English*]

He said: Mr. Speaker, all of these motions, from 2B to 3G, have to do with placing two auditors back into the Bank Act. Because of the collaboration between the Conservatives and the Liberals in the committee, lo and

behold, they removed from the Bank Act the requirement for two auditors.

I opposed it in the committee when that was done and I am opposing it here. I have placed motions in this report stage which would put back into the Bank Act the requirement for two auditors.

As complex a business as banking is now and is going to be with the passage of Bill C–19 and all these other financial institution acts, I cannot see for the life of me why we will be removing this important tool for the Superintendent of Financial Institutions.

I pointed out in earlier debate that OSFI depends a great deal on external audits of financial institutions.

• (1520)

When we are talking about banks we are talking about the most powerful institutions in the economic structure of the country. Even the banks did not want to give up the requirement for two auditors. They saw it as an advertisement for their soundness. They are projecting to the public the image of a sound financial institution. The public is reassured in this country because the banks are regulated and two auditors are required.

I do not think that the Conservatives on the committee checked with the Minister of State for Finance before they took that position in the committee. They actually agreed to remove from the banks the requirement for two auditors.

I found it very strange, particularly when financial institutions in the trust sector are falling by the wayside. What we need are more effective controls on the banks. The member for Mississauga said it in a previous debate on this question. He conjured up the image of the Northland Bank and the CCB and he conjured up the image of "after you Alphonse". Why do you have two auditors? Now he is saying "after you Gilles".

The problem did not lie in the fact that we had two auditors. It did not affect the case of the Northland Bank and the CCB. Maybe what we have to look at is how we regulate the auditors reporting to OSFI. It has been to one auditor. When we get into these large financial institutions—and we are not talking about small financial institutions—we have to have that second opinion.

You go to the doctor today and you say I am not feeling well. He examines you and says: "I think you have a problem with your liver". If the patient does not like what the doctor says and wishes a second opinion, he says: "You have a problem with your kidney".

I think that the back–up system is very important for an effective regulatory system for financial institutions. We had Michael Mackenzie before the finance committee dealing with the investigation into the Standard Trust operations. We had only one meeting to examine Standard Trust. The chairman did not see fit to call on another meeting to continue the investigation. Michael Mackenzie, superintendent of OSFI, said how much they depended on the external auditing provided to OSFI about the financial institution. He stressed over and over again how often he depends on the outside auditing because OSFI does not have the wherewithal to audit every single financial institution in the country.

What I have attempted to do in these motions is to put back into the Bank Act what a chairman who was anxious to get a bill moved through the committee was quite willing to give up, the two auditors for banks. I ask the minister to reconsider because it was a hasty action. Once these bills are passed we will be talking about a whole new animal. A whole new beast will be born.

Banks will be able to own insurance companies. Banks will be able to own trust companies. Banks will be able to do all sorts of things. What are we saying? We are saying well, we will take off one of the watch–dogs. We will take off one.

I suggest this was a hasty action in committee by a chairman who was willing to show how good he was in getting very lengthy bills through committee. I think it was ill thought out and very hasty.

I say to the minister, let us put back the two auditors into the Bank Act. I would even go so far as to suggest, as I have suggested in debate on Bill C–4, that for the large trust companies we ought to have the two auditors as well, because they too are going to be allowed to grow in a whole new way. In a very invasive way they are going to be allowed to grow. The public, the investors, the shareholders and, above all, Canadian taxpayers, are

always called upon through the deposit insurance whenever there are pieces to be picked up.

If this can limit the number of pieces that have to be picked up, surely the minister can see the reasonableness of the argument that we should put those two auditors back in place in the Bank Act.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, we have had this discussion on a number of occasions. We had the discussion on Bill C–4.

A bank is entitled, of course, to continue to have two auditors if it so desires. Some of the major banks have indicated for the reasons my friend sets out that it is perhaps a good thing to advertise that you have two auditors, but as far as supervision is concerned, that is not necessary. As far as the Estey commission was concerned, it was not necessary, and as far as the Standing Committee on Finance studying the matter in 1985 in its report that his colleague from Regina—Qu'Appelle was involved in, it was not necessary. It was not necessary then; it is not necessary now, so we will be opposing the amendments.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, this morning I spoke on a similar motion to the Trust and Loan Companies Act, Bill C–4. This motion is to amend the Bank Act and it is requiring two auditors. As I mentioned this morning, the Standing Committee on Finance really rejected this idea and the Superintendent of Financial Institutions sees no need to have two auditors.

As was mentioned in the committee and also by the member for Mississauga South this morning, if you have two auditors then one auditor could mistakenly think that the other one is doing something and things could get missed altogether.

Also the Estey inquiry that looked into the failure of the Canadian Commercial and Northland banks certainly indicated that it would not have made any difference if we had had two auditors. I want to repeat that the Superintendent of Financial Institutions sees no reason to have two auditors. This idea was rejected by the finance committee, and if it is not necessary, if there is no need for it, why inflict the extra cost on financial institutions which will be passed on to the Canadian public in the long run?

Mr. Speaker, we will be voting against this amendment.

Mr. Dionne: On a point of order, Mr. Speaker. I allowed my name to stand as seconder of this motion. I simply want to explain that I intend to vote against the proposition of the hon. member.

• (1530)

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I would like to thank the hon. member for Nickel Belt and the hon. member for Malpeque for their intervention. I think the hon. member mentioned the complexity of the present institution. He has indicated one point, that maybe the member for Mississauga South might have acted without consulting the minister. I would like to repeat that the hon. member has consulted with the minister, and we have been in touch for years on these issues. I must say that I am very pleased that the hon. member for Mississauga South has brought his experience and his knowledge.

I would say that I was also very impressed and even though I was not in the House through the debate or in committee, I have followed that very closely. I was always very impressed by the quality of the intervention of all members, even though we do not always agree on certain amendments. I think these are extremely complex issues of great importance for Canadians. I think what we are doing now is preparing a very good bill.

Mr. David D. Stupich (Nanaimo—Cowichan): Mr. Speaker, I noted that the hon. member for Malpeque said that Judge Estey did not recommend that there be two auditors. I may not have quoted it correctly, but one of his recommendations was that there be no change in the dual auditor system as provided by section 237 of the Bank Act. When Judge Estey was looking into the collapse of CCB and the Northland Bank, he felt that the dual auditor system was a good one and should be retained.

Canada has had a pretty good reputation in its banking systems, particularly in the larger ones in which the dual auditor system has been in effect for quite some time. I do not know why we are fixing it if it is not busted. The system is working. The hon. member for Mississauga and the hon. member for Malpeque suggested earlier in the debate—and I feel I have to stand up for the professional auditors, the chartered accountants—that it costs more.

Maybe I was a little sensitive but the implications of their remarks as I heard them was that one firm would be following the other around doing exactly the same thing and doubling the cost to the institution of the auditing. That is not being fair to the chartered accountants.

Do you think they would be so dumb that they would simply follow the trail started by one firm, do exactly the same thing and it would be double the cost? I am sure there would be some increase. With two firms doing the work, sharing the work, there would have to be some consultation as to which would be the lead auditor and which would be the second. A plan would be developed, but they would not be chasing each other around doing the same work. There would not be double the cost.

The other argument I heard this morning on Bill C–4, again from both members, was that with two there they might make a mistake. They might both overlook one critical element of the investigation. Again, we are talking about professionals doing this. They are looking at the work, looking at what has to be done. They plan it. Even one auditor sits down and plans the work before the work is ever started.

They would plan how they were going to proceed with the audit, how they were going to be doing it during the year and share the load. They would make sure that nothing was overlooked. It is always possible, but it is more likely to be overlooked if there is only one firm on the job than if there were two. Two of them looking at it and looking at the whole picture and deciding how to share it are more likely to do total coverage of everything that has to be done than one who just might be in a hurry and might overlook something.

I think it is important with the projected growth in the individual banks in Canada that they not look to one auditor to be the auditor for any one bank. It puts an awful load on any of the existing Canadian firms to take on total responsibility for one of, say, the major five. There would be a tendency for that firm to specialize, if you like, in that area. Although the same firm is not supposed to deal with competitors in business, there would be a tendency for that firm to have some involvement in the audit of more than one bank which would mean that firm then would be totally dependent or very dependent upon that one aspect of business in our country which is not good for the firm and not good for the bank.

It is good that they have two different firms now and good that the five among them would be having other firms involved as well so that nobody is sort of following a route from year to year without having other experiences to draw on.

It is good for the firms to have that variety of experience. It is good for the banks and good for Canada as a whole in supporting its banking system and being proud of the record of its banks in Canada with respect to failures and non–failures. It is good that they have had this system of two auditors.

As I have said, Judge Estey recommends that it be continued and I think the least we can do in the House is insist that it be continued at least for the larger banks.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

An hon. member: There is no minister in the House.

Mr. Pat Sobeski (Cambridge): Mr. Speaker, I was just reviewing my notes on this particular amendment when it was before the finance committee. I supported the member for Nickel Belt in voting to have two auditors.

The point I would like to make was that the representation we had from the Canadian Bankers' Association basically made a couple of points that it was not any more expensive to maintain a two auditor system versus a one auditor system.

Also, the point was raised that by having two auditors, because there is a requirement that there be a rotation for those banks that have two auditors, it was often easy to switch one auditor and still have some consistency with the other auditor, whereas if it went to one auditor you would lose that consistency.

The president of the Canadian Bankers' Association also pointed out that the two auditor system is the subject of some study abroad and it appears that other international jurisdictions may be adopting a two auditor system when Canada is going to a one auditor system.

I thought I should rise in my place to indicate that previously I had supported the member for Nickel Belt in keeping the two auditor system. I think it is fair for me

to rise now and give those particular arguments as to why I support the member for Nickel Belt.

Mr. Rodriguez: Mr. Speaker, I rise on a point of order to apologize to the member for Cambridge because I think in my comments I had said all the Tories and all the Liberals had voted to withdraw these two auditors for the banks. Now I apologize. I am glad that the record has been corrected.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

Acting Speaker (Mr. DeBlois): In my opinion the yeas have it.

And more than five members having risen;

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

* * *

• (1540)

THE ROYAL ASSENT

A message was delivered by the Gentleman Usher of the Black Rod as follows:

Mr. Speaker, the Honourable Deputy to the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

[*Translation*]

And being returned:

Royal Assent

The Acting Speaker (Mr. DeBlois): I have the honour to inform the House that when the House went up to the Senate Chamber, the Deputy Governor General was pleased to give, in Her Majesty's name, the Royal Assent to the following bills:

Bill C-11, an act to amend the Railway Act (grain and flour subsidies)—Chapter No. 37.

Bill C-8, an act to provide for the dissolution or transfer of certain Crown corporations and to amend certain acts in consequence thereof—Chapter No. 38.

BANK ACT

MEASURE TO ENACT

The House resumed consideration of Bill C-19, an act respecting banks and banking, as reported (with amendments) by the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Motions Nos. 6, 8 and 11 are grouped for debate.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 6.

That Bill C-19 be amended in Clause 416 by striking out lines 17 to 19 at page 215 and substituting the following therefor:

"business of insurance to the extent prohibited or restricted by the regulations.

(2) Except as permitted in the Act or the regulations, a bank shall not act in Canada as".

The Acting Speaker (Mr. DeBlois): Motion No. 8 has been withdrawn.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 11.

That Bill C-19 be amended by adding immediately after line 17 at page 277 the following new clause:

"475. Notwithstanding anything in sections 468 to 474, no bank may acquire or increase a substantial investment in a body corporate

(*a*) if the body corporate is an insurance bank to which Parts I to VII of the *Canadian and British Insurance Companies Act* apply or an insurance corporation incorporated by or under an Act of the legislature of a province; or

(*b*) if the activities of the body corporate are substantially similar to those of a body corporate described in paragraph (*a*)." brev

[*English*]

He said: Mr. Speaker, I want to deal first of all with Motion No. 6. Motion No. 6 has a bit of a history because when the finance committee dealt with the financial

institutions bill we dealt with Bill C–83 first. Bill C–83 is now known as Bill C–4. Bill C–83 was its name in a previous Parliament. Bill C–4 is its name in the present Parliament.

We have no problem in this party, in this corner of the House, with banks being able to sell, to market or to retail insurance. We have a real serious problem with knocking down the pillars and allowing banks to own insurance companies. We have a real serious problem with that, but we have no problem at all with joint ventures that would allow banks to retail the product of an insurance company.

When we dealt with Bill C–83 there was a clause that went against the process or the principle of natural persons. The English version was different from the French version. The English version said that a bank would be able to do any business of insurance except what is prohibited by legislation. The French version said that they cannot do anything except what we tell them they can do.

What we did and what the committee agreed to was to harmonize the French version with the English version: they can do anything except what we prohibit them from doing. That is a natural person's approach. That is the approach that is used in the whole Bank Act except in this one issue.

It is fairly obvious that members on the government side agreed to that change, to that harmonization. There was nothing wrong with it that they saw at that time that they could object to. At least they did not object to it when I proposed the motion in committee. The amendment was supported, but I do not know what happened between that time when Bill C–83 finally finished committee stage and we got to the Bank Act.

Lo and behold, in clause 416 the government reversed what we had done in Bill C–83. I think what happened was a voice in the insurance industry, probably in Great West Life, twisted the arms of the ministry and of the government and got what was originally in Bill C–83.

It is not acceptable to us. They cannot accept the principle of natural persons all along the line and then, when it suits their purpose, just boot it out the door.

We are trying to correct the mistake that was made in our view. We are saying in this particular amendment: no, let us go back to the principle of natural persons. It seems to me that is fair.

The other motion, Motion No. 11, again fulfils the principles that we have tried to make in this debate, that banks ought to do the things related to banks and banks ought not to be allowed to own insurance companies.

In our amendment to Bill C–4 we said that trust and loan companies ought not to be allowed to own insurance companies. In this particular motion we are saying banks ought not to be allowed to own an insurance company.

If the government thinks for one moment that it is protecting the insurance industry by putting in these kinds of rules, it is living in Fantasyland. It is over in Fantasy Gardens with Faye Leung and Bill Vander Zalm. It is in Fantasy Gardens.

I want to say that the insurance companies do not stand a chance against the banks. The banks right now are positioning themselves. I could just see the debate within the banking community as to whether they should buy an insurance company or start one up or squeeze. I think they have opted for starting up insurance companies and I think, with the ability they have right across the country with their branch system, the insurance companies will not stand a chance and insurance companies will collapse.

I think the government is really fighting a rear–guard action. I have just been looking at an article which appeared in *The Toronto Star* of October 12, 1991. The story is very interesting. It pointed out that in the United States a U.S. bank won a battle to be an insurer. I refer to the story here because I think it is the trend. In part it reads:

> In a big victory for banks seeking broader powers, the U.S. government has decided not to appeal a court ruling that clears the way for Citicorp to underwrite and sell insurance nation–wide. The decision could be a fatal blow to efforts to strike down a 1990 Delaware law that permits major banks to market insurance products nation–wide via subsidiaries in the States.
>
> The powerful insurance lobby which staunchly opposes the law immediately picked up the legal battle started by the federal reserve, asking the Supreme Court on Tuesday to hear its appeal. But the chances of that tactic succeeding are considered slim.

What we have is the reality that banks are going to be taking over the insurance industry.

This motion would keep the animals in their cages. We have attempted to do that. We say what we should do is keep them in the cages. They could enter agreements. They could have joint ventures and we would regulate the ventures. It seems to me that is the way to go if we want to preserve the insurance industry and allow it to grow; not to have the banks own the insurance companies. It seems to me the minute they start doing that you get a concentration of activity.

• (1600)

We dealt with the question of the concentration of ownership when we recommended the sliding scale. We saw two types of concentration, one of ownership and one of activity. On the concentration of ownership we dealt with the sliding scale and on the wide ownership, the 10 per cent.

Having done that we now move into the deal with the concentration of activity. We say if you put these lions in the cages and these cobras in their cages and these mongooses in their cages, then in fact we are on our way to properly regulating them. We will prevent a concentration of ownership and activity, which is absolutely detrimental to consumers the minute you melt everything down to one or two or three large financial institutions. That is the trend in the United States.

It bothers me when I hear all this talk about global competition and that somehow you have to be bigger because bigger is better. I think smarter is better. All I keep hearing is that somehow to be a better competitor you have to be bigger. Remember I have two motions here, but remember that bigger is not necessarily better and having one or two or three large financial institutions is not in the best interest of the consumer. You know what happens to the prices and we do not have effective enough anti-monopoly legislation in this country. At least in the United States they have some effective anti-monopoly legislation, but we do not have it here in Canada and now we are opening up the cages and letting them commingle. In the end it will be that lion that you see on the Royal Bank grabbing hold.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, these are the same motions we dealt with in Bill C-4 this morning. What we are talking about here is how we handle insurance. The queries behind our bills are that the institutions will stay within their own frame of reference, insurance companies will sell insurance, banks will do banking and trust companies will do trust service including the deposit work that trust companies do. The product of insurance will not be marketed in a deposit taking institution.

There is nothing wrong with a bank wanting to buy an insurance company or create an insurance company. That type of cross ownership is behind the concept of these bills. My friend makes the same argument, and the arguments in this particular case are exactly the same as they were this morning. The theory behind the legislation in this reform is to make sure that the insurance companies stay as insurance companies and that the banking and trust industries do not get into that business by marketing their products in their branches.

With respect to the other amendment, the same arguments apply as this morning. A bank will be permitted to acquire an insurance company or incorporate an insurance company and we therefore cannot accept my friend's amendment.

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, these are really the same amendments as we had this morning on Bill C-4, the trust act. The first one, of course, is regarding the power of banks to sell all types of insurance.

As I mentioned earlier, we heard all kinds of arguments on this issue. We had briefs presented to us with arguments that were for banks selling insurance. We had briefs and witnesses who made presentations for the other side of the argument.

We went into this in great depth. After studying the issue, we in the Liberal Party believe that banks should not sell all types of insurance. I have spoken on this before. The reasons for this are on the record here two or three times. I will be elaborating on those again when I speak on this bill on third reading.

With regard to the other amendment which we have before us, it is restricting banks from owning insurance companies. We believe that since widely held insurance companies will be able under this new legislation to own a bank, then it seems logical that banks should be able to own an insurance company.

I know there have been concerns raised about corporate concentration. That will be dealt with in a couple of ways. One is the Competition Act and the other is the Minister of Finance. He can refuse a merger if it would not serve the best interests of the Canadian financial institution system.

One other point I want to make is that the Conference Board of Canada told the finance committee that it sees no competition problems if banks are given the power to buy insurance companies.

I will be voting against both of those amendments.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, I too wish to intervene in the debate on these amendments. Really these amendments go to the heart of what the government is attempting to do and our opposition to what the government is attempting to do.

The amendments of course being debated are the ones that would prevent banks from owning insurance companies. The government wants to collapse the four pillars so that banks can own insurance companies, or trusts can own banks and banks can own trusts and so forth and so on.

Many of the points in terms of our opposition were raised by my colleague, the member for Nickel Belt, and I think he raised them very forcefully and very eloquently.

Perhaps I can start my remarks where in a sense he left off. He said that the notion of beans is not necessarily the way to survive. His thought was that smartness was more important and was a greater asset in terms of surviving than beans. I think he is right on.

We saw the decade of the eighties where huge new corporate entities were formed, levered buy-outs with huge sums of money, billions of dollars. We are finding now that society, especially the American society, is paying a heavy price for it. They created monsters. They were like dinosaurs. There was no intelligence. They were big, they were huge but there was no intelligence. Many of them got into fields that they had no experience in like real estate. They ended up having to start divesting.

We know some of our Canadian boys who went in, the experience of Mr. Campeau. What a tremendous ruin people like that have done to institutions, to businesses that have taken years and years to build up. You would almost think that they were revolutionaries out to destroy the system.

They laid in ruin many once proud and large corporate entities, especially in the United States. Many of these entities, these dinosaurs that were created, have tremendous levels of debt that they cannot service. They are having to sell pieces off. In other words they were like dinosaurs. They were big all right but they had tiny little minds. They were not smart.

It is like our government. It got its majority all right, but it has a tiny little mind because these Tories sometimes move slow. What was the in thing at the beginning of the eighties we have now discovered has become a disaster in many areas. When the Tories launch something it is like launching one of those huge boats, an oil tanker. When they are midway in the Atlantic they have to start slowing down in order to slide into port. Once the Tories launch something, it takes them almost a decade to bring it to legislation. Now we have realized that what they launched in the beginning of the 1980s is no longer appropriate.

• (1610)

If they were really smart and quick they would withdraw this legislation. We on this side of the House suspect that it is a recipe for disaster. Canada will end up with some huge financial institutions and while they will be big, they will not be smart. They will not have the appreciation of the markets and the different businesses they are involved in.

I also think of the many insurance agents who have served Canada well. They have enabled Canadians to choose from a very wide variety of insurance packages and policies. Of course, by allowing the banks to not only own but sell insurance policies, the network that has been built up over the years in Canada will be threatened. The livelihoods of many of these insurance agents will also be threatened.

I do not know what sort of regulations the government is contemplating when the bank gets into the insurance business. Will those insurance policies be allowed to be sold in the bank? What will the regulations be? Will insurance agents also be able to sell those packages along with the other insurance packages they sell? I do not know what the regulations will be.

I understand that this aspect has not really been discussed by the finance committee and that is unfortunate. I submit that at least the finance committee should have spent some time listening to the agents and discussing what possible regulations might be put into

effect to ensure that the network of agents we have in this country is not irreparably harmed. If that network is broken, then the competition in this country will be less and there will be very few insurance companies with a tremendous amount of monopoly power. While initially the consumer might see some benefit, we know that once true competition is destroyed, in the end the consumer pays the price.

What I am afraid of is that in five or ten years from now when we revisit this legislation, we will hear speeches in this House and other places saying: "I wish we had been smarter in 1991. Boy, what a mistake we made in 1991". There is no excuse. We have seen what happened in the 1980s in the United States with deregulation and the large conglomerates that were created by the levered buyouts. We know in 1991 that there was a tremendous costly mistake made in the United States and there is no earthly reason why we in Canada should be committing the same mistakes.

Surely we can learn from the 1980s from this past decade and come to the conclusion that what we are entering into here is already outdated by a decade. The time has come not to go into bigness, but to move away from bigness and to move into smartness, into appropriateness. That is the recipe for a healthy economy. That is the recipe for providing good, essential services to the Canadian public. In the end, that is what the public interest should dictate. It is shameful that this government, supported by the Liberals, is bringing in legislation using concepts that are outdated, that are gone.

I hope the Leader of the Liberal Party will also begin to realize, judging from his comments he made this past weekend at the Liberal think tank, that he too is parroting notions that were popular in the 1980s and that are being discarded for the decade of the 1990s.

If we are going to remain competitive as a nation, we need smartness and not bigness. That is the recipe surely for prosperity.

Unfortunately, the legislation is a reactive legislation. It is legislation based on popular hip notions of the neo-Conservative era of the 1980s. They have been brought into disrepute, particularly because of the experiences in the United States.

There is no excuse for us to continue with these outdated motions. For heaven's sake let this House wake up and thoroughly defeat this government legislation. Surely government members and members of the Liberal Party should realize that the amendments introduced by my colleague from Nickel Belt really are needed.

Let us support his amendment.

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, I want to intervene in this debate just for a brief moment.

What I think most Canadians are going to find is really the hidden element in this legislation. In a number of years to come, as the speaker from Regina has just mentioned, Canadians in the business community and consumers are going to find out just what kind of serious damage this government has done to the economy of Canada.

In particular, I want to congratulate the member for Nickel Belt who has been doing a stellar job. I have not attended committee meetings in which this bill has been discussed.

In this House yesterday, today and I know in the days to come, this is an example. It is an example of an effective opposition giving this bill a detailed look. I know the member for Nickel Belt will sit on the other side of the House after the next election.

I know his concern over the economy will bode us well and bode the country well in his clear knowledge of the financial institutions in the country.

We find it hard to understand why the Liberals are now cosying up to the Tories so much. It is hard to tell these days, I guess.

This amendment brought in by my colleague from Nickel Belt would prohibit the banks from purchasing and picking up insurance companies in Canada. You would end up, as the previous speaker said, with this kind of monolithic bigness.

It seems in some sense that this government has been drawn to "bigger is better" and the monolithic kind of financial empires that it seems to favour are going to serve Canadians better.

I would second the comments from the member for Regina—Qu'Appelle in terms of performing in a smart way and not in a big way.

With these kinds of amendments in a thick piece of legislation, Canadians are going to find out maybe in a couple of months, if the government gets the legislation through and it is eventually proclaimed and the regulations are then written, what the seemingly small section of this large bill is going to mean to them.

I think they are going to be very disappointed and upset over this government's policies. We know that. They are upset about this government for many things, but this will come down the road to haunt this government. Unfortunately it will haunt Canadians at the same time.

While we are debating this legislation in the House today, and the other accompanying financial legislation, I wonder how many people are paying attention.

It is dry stuff sometimes. The member for Nickel Belt does his best to add some colour to this kind of legislation. Canadians must understand how important it is to understand just what the government is doing.

I would appeal to the members on the government side. A number of them have already commented about how they will be supporting some of the amendments of our colleague from Nickel Belt.

• (1620)

We would appeal to the Liberal Party to come to its senses and realize the importance of the amendment from my colleague so that we can ensure that Canadians are going to have the kind of financial services they need.

I would close with this comparison. It may be stretching it a bit, but I think it is appropriate. We have legislation that governs the use and abuse of social insurance numbers in Canada. Some people say it is not necessary or that the line is already drawn and it is not needed. However, I would say that we need those kinds of lines drawn because it is in the public interest. The public should know there are divisions of responsibility and should feel confident that at the very least our government and regulatory bodies understand those divisions. I think that is the basis behind the amendment being moved by my colleague from Nickel Belt. We hope that the members opposite will support it.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen;

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

Mr. John R. Rodriguez (Nickel Belt) moved:

Motion No. 11.

That Bill C-19 be amended by adding immediately after line 17 at page 277 the following new clause:

"475. Notwithstanding anything in sections 468 to 474, no bank may acquire or increase a substantial investment in a body corporate

(*a*) if the body corporate is an insurance bank to which Parts I to VII of the *Canadian and British Insurance Companies Act* apply or an insurance corporation incorporated by or under an Act of the legislature of a province; or

(*b*) if the activities of the body corporate are substantially similar to those of a body corporate described in paragraph (*a*)."

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

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

Some hon. members: Nay.

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

And more than five members having risen

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 76(8), a recorded division on the motion stands deferred.

Ms. Catherine Callbeck (Malpeque) moved:

Motion No. 10.

That Bill C-19 be amended by adding immediately after line 43 at page 260 the following new clause:

"459. (1) A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

(2) Subsection (1) does not apply to words or forms of documents that are prescribed by law.

(3) Subsection (1) does not apply to contracts, applications for financial services and related documents where the price of the financial service or the total liability assumed or to be assumed by the customer exceeds two hundred and fifty thousand dollars.

(4) Proof that reasonable efforts have been made by the bank to comply and maintain compliance with subsection (1) is a complete defence (*a*) in a prosecution under subsection (1), or (*b*) in a dispute about whether subsection (1) has been complied with.

(5) The failure of a bank to comply with subsection (1) does not affect the enforceability of any document referred to therein and may not be asserted by a customer or a company as a defence in an action or proceeding based on a document referred to in subsection (1).

(6) As used in this section "customer" includes a natural person who is a guarantor or provides security to a bank.

(7) Subsections (1), (2), (3), (4), (5) and (6) shall come into force on the day which is two years after the coming into force of section 1 of this Act."

She said: Mr. Speaker, this amendment is the same one that I proposed this morning to Bill C-4, the Trust and Loan Companies Act. It is an amendment which is called the plain language amendment. What it does is require the banks to put several documents in plain language, language that is written so that the reader can read it and understand it.

If you look at a lot of these documents, and I have some of them here, you can pick out any paragraph at all. For example: "To indemnify the insured or any other person who personally drives a temporary substitute automobile as defined in the general provisions of this policy against the liability imposed by law or assumed by the insurer such other person under any contract or agreement for direct and accidental physical loss or damage to such automobile and arising from the care, custody and control thereof". That is all one sentence and this goes on and on. I am sure we all have seen forms from financial institutions which are confusing. They are very difficult to understand. The sentences are extremely long and a lot of the wording is not in everyday language.

I wanted to acknowledge that certainly there has been some progress made in the industry with taking documents and putting them into everyday language.

Certainly I welcomed that trend but at the same time the industry can do more and certainly it acknowledges it itself.

I am proposing this amendment because I thing it is very important that it go into law.

This morning it was said that it is very difficult. It is a difficult thing to do, but it has been done. In the United States, at least 10 states have this in legislation. It was first in New York in 1978. In Alberta the same legislation went through in 1990.

If we look at the New York experience, the results are very impressive but the experts there say that in order to really get the industry to do that it must be put in legislation. That is why I am proposing this amendment today.

I believe it is a reasonable amendment because it gives the financial institutions two years to look through their documents and to put them in plain language. This amendment does not mean that they have to do it for every document. It is only required for small customers who are borrowing less than $250,000.

I have already spoken on this once today in the House but with those short remarks I certainly would urge all members in this House to support the amendment.

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I suppose we all would like to make sure that all statutes we pass and all contracts we see drawn are written in plain language. The real question is what is plain language?

Let me read the amendment:

"459.(1) A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

That is plain, is it not? Let us go on to the next one.

(3) Subsection (1) does not apply to contracts, applications for financial services and related documents where the price of the financial service or the total liability assumed or to be assumed by the customer exceeds two hundred and fifty thousand dollars.

That is plain too. We could go on. How plain do you want to get? The fact of the matter is that is not very plain to someone who has not got a university education. That is unfortunate, but a lot of the things that we do in law are not as plain as they might be. Perhaps we should be the people showing the example of how to write plain language amendments. Perhaps if the member for Malpeque could write these amendments in plain language she would be able to show to the House the kind of thing that she would expect the banks to have.

Maybe and maybe not because the fact is that the contracts and rules and paperwork are done as simply as they can be done. No one takes great pleasure in convoluted language, least of all the people who write it because convoluted language is interpreted in law against the person who wrote the contract and if it is too convoluted they wind up losing their case.

The fact is they have to supply language that is interpretable and language that fulfils legal requirements and so we wind up with some things that we find pretty confusing and pretty complicated.

Unfortunately in many senses we live in a complicated society. While a number of institutions are attempting to draw their paperwork in a much more easily readable fashion, it is not always easy to do that. For the life of me I do not know how we would ever really set out a judgment system to determine whether something was written plain enough.

I suppose anyone who had a problem with a bank would go to court and say: "Well the documents are not plain enough", and then we would develop a whole host of further court precedents as to what is plain enough.

• (1630)

It think that is not going to be possible. I suggest that we leave the matter to the business community in order to be a little more plain. It ought to accept the urging from the member for Malpeque, my urging and the urging of the whole House that we wish contracts were easier to read than some of them are. We would encourage people to write their contracts and documents in plain language.

Otherwise I do not believe we could have an amendment in this bill that would accomplish what we would like it to do in any fashion that would be of any great ease to those who enter contracts.

Mr. Simon de Jong (Regina—Qu'Appelle): Mr. Speaker, we are quite sympathetic to the amendment though some of us wonder if it is something we can legislate *per se* into law.

I do not entirely agree with the member for Mississauga South. I suspect that those who draw up the contracts get perverse pleasure at times out of the special language they have developed.

After all, it goes back to very primitive times. Special languages get developed. For example, one does not get accepted into the priesthood until one has learned how to master the archaic language or forms of worships. By maintaining a very complex language and system upon which the contracts are drawn ensures those who have entered that priesthood, so to speak, will be limited to those who have gone through the necessary hoops and learning processes to understand what the archaic language is all about.

The hon. member from Mississauga was right when he pointed out how difficult the task is in terms of breaking through and getting things back into plain language. He quoted from sections of the amendment. Allow me to participate in that little feast. The second sentence in 459(1) reads:

A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

Persons who read newspapers, magazines and so forth must sit back and wonder what it means by "natural persons". Are there unnatural persons to whom this does not apply? What are these unnatural persons about? I mean, away we go. What is a natural person?

An hon. member: Is it the same as an ordinary Canadian?

Mr. de Jong: It might be the same as an ordinary Canadian as opposed to an unordinary Canadian. Perhaps we might end up with some rules and regulations and some standards with which we can judge if a person

is an ordinary Canadian or whether a person is natural person.

That would indicate some of the problems we have in achieving a goal with which we will all agree. The language has to be simplified so that people can understand. Surely contracts can be put in a plainer language.

I sympathize with the Liberals on this. They recognize in their amendment that the larger the contract in terms of money value, most probably the larger number of different conditions and so forth. Therefore the more complicated it becomes. Contracts with a limit of the $250,000 require special effort in order to put such contracts into simpler terms.

I am not certain if it is entirely impossible. Fortunately the member from Mississauga seemed to suggest that it is. I know when we go through the process of tax reform that every time we try to simplify the tax forms they end up getting more complicated.

When we entered into tax reform in 1984–85 there was a great promise to simplify the forms. It seems to me that when I filled out my tax receipt last year there were more pages and more complications than there were before, even though the government keeps working on simplifying it. The more it tries to simplify it, the more complex it gets. Perhaps it might be the case as well when people really try to handle the task of simplifying contracts that we might end up in fact even getting into more complex contracts.

I agree with the members of the Liberal Party. You get this darned form from the bank when you are taking out a loan or you are a co-signer to something and the sentences go on and on and on, meandering around. One sentence can be a paragraph of several inches. It makes no sense. I think a case can and should be made that this indeed can well be a form of misrepresentation when something is presented in such complex language that an ordinary person—again we are back to an ordinary person—cannot really understand it. Then is it a fair contract? I think it is a good question that has to be raised.

While we will be supporting the amendment of the Liberal Party we are under no illusion, however, that by just putting this amendment in place if it passes it will have the immediate desired effect we all hope it would and should have.

Mr. Ross Harvey (Edmonton East): Mr. Speaker, I rise briefly to participate in the debate and state that my enthusiasm for this amendment perhaps exceeds that of my hon. friend from Regina. I have on a couple of occasions had the experience of going into a bank, or in my instance a credit union, and sitting down with the local branch manager and discussing the purchase of a car, most recently a truck, and having an amiable conversation across the desk in which the bank manager or the credit union manager was able in a matter of scant minutes to explain clearly and cogently precisely what the terms of the agreement were, precisely what the consequences of non-payment would be, and all this sort of stuff. It was absolutely clear, absolutely simple, absolutely comprehensible by me, and I do not have a university degree.

Then I get the contract to sign. My mom always told me: "Don't sign anything you haven't read". So I read it or try to read it but, my Lord, it is like reading something dredged up from an archaeological dig some place in southern Italy. It is incomprehensible. In fact my guess is that the credit union manger does not understand it. My guess is that the credit union's lawyer does not understand it. But there it is, and if I do not sign it I do not get the loan. I do not see what makes it so difficult to have a contract that reads like a credit union manager or a bank manager talks.

It is with considerable enthusiasm that I say that, granted on my own behalf but I think as well on behalf of those constituents of Edmonton East whom I here represent and whom I think have experiences with the banks that are much more often similar to that which I enjoy than perhaps are those enjoyed by the hon. member for Mississauga. By the way, you will have noted that he attempted to reinforce his point about the complication of the language in the proposed amendment by reading it at what could only be reasonably deemed break-neck speed. It is probably the same sort of thing that happens when one takes a reel-to-reel tape recorder and records someone speaking at three and three-quarters IPS and then play it back at seven and a half IPS. It was roughly that effect.

I congratulate the member on a most theatrical and effective effect, but it was not all that fair in terms of the point he was making. If I could go over that section again

at a somewhat more reasonable speed, I think the point will be made. It reads in its entirety:

> A bank must use plain language in all contracts related to financial services, applications for financial services and related documents which it provides to its customers who are natural persons.

• (1640)

Granted some folk might have a bit of difficulty with the idea of natural persons because it is true that many people in Canada do not understand that when the law speaks of persons it often, in fact usually, includes what are called corporate persons, which is to say incorporate businesses.

It is unfortunate that many people do not understand that. It is something that perhaps might be more fruitfully discussed and debated in a debate on our educational system some time. However, that is the case, so I warrant that in that one phrase there is perhaps cause for some modest confusion. But happily very rare will be individual Canadians, I pray, called upon actually ever to read this act. Happily most Canadians will only ever be called upon to read the contract for a loan on the desk of their local branch manager for their credit union or their bank. If in the passage of this amendment we are able to provide those fellow citizens of ours who must daily struggle through the accreted maze of bizarre phrases and wordings that regularly they are confronted with in especially financial legal contracts, then we will have done a service in this place that I should think most Canadians would applaud and celebrate.

Therefore I heartily commend to this House this amendment and I congratulate the hon. member on moving it.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): The question is on Motion No. 10.

Mr. Simmons: The House is not ready for the question.

An hon. member: Too late.

[*Translation*]

The Acting Speaker (Mr. DeBlois): I really should not, but I am willing to recognize the hon. member for Burin—St. George's, for a few moments.

[*English*]

Hon. Roger C. Simmons (Burin—St. George's): Mr. Speaker, what could be more instructive than to see the gentleman from Provencher, that exalted member of the cabinet, sitting in the very back-bench of this Chamber. How prophetic, how completely prophetic, especially if he and his gang keep bringing in the kind of nonsense legislation before us now. If they insist, I say to my friend from Ontario, on doing convoluted stuff, at least let my colleague and friend from Prince Edward Island make it partly intelligible, make it so that the people of Canada to whom these laws will apply have some opportunity to understand what the latest law is from this crowd.

Simplicity, Mr. Speaker. Suddenly we have to make the point for ordinary language. There are a lot more ordinary people out there, people whose claim to fame is not the $100 word or the $50 word, but people who live simply and by that we do not mean inadequately. There is nothing adequate about being complicated or convoluted. Some of the guys and girls on the other side might get their jollies out of being convoluted and complicated, but that of itself is not—

An hon. member: Stop being partisan. We have a lot of decent bills here.

Mr. Simmons: I say to my friend that we in turn are talking about a decent improvement to what he characterizes as a decent bill.

An hon. member: Get some plain language.

Mr. Simmons: He wants plain language.

An hon. member: Get some plain language for the meeting in Aylmer.

Mr. Simmons: The meeting in Aylmer?

An hon. member: Yes.

Mr. Simmons: I have to admit to my friend that I was not at the meeting in Aylmer. So I compensated, I went down and bought a few cans of Aylmer soup and I fed my yearnings that way. I then proceeded to cogitate, to have my own conference on the south coast of Newfoundland. We did it Sunday morning early, before church. We did it

by visiting a fish farm, me and the premier of the province, Mr. Wells, and his wife and the Minister of Forestry, Mr. Flight, and the Speaker of the House, Mr. Lush. So we had a conference, which we will call the Roti—as in R-O-T-I, a good French word with a good Newfoundland pronunciation—the Roti Bay Conference. I thought we had quite a number of ideas about how to put this country right.

But as my colleague knows, it is useless to have ideas about the Constitution or about anything else if somebody over there is not listening, as Mr. Wells has found out, as others have found out.

Mr. Speaker, as I was saying, Motion No. 10 was moved by my colleague from Prince Edward Island. She has done a phenomenal job, an absolutely phenomenal job on this particular legislation, an absolutely phenomenal job. In this particular instance she has moved, and we heartily support, that the bill before the House, Bill C-19, be amended by adding immediately after line 43, at page 260, the following new clause. I am not going to read it all because the first half dozen words say everything that needs to be said to make the point.

Motion No. 10 states, in part: "A bank must use plain language—". What a novel idea. You would think at first glance that the woman was simplistic, that she would even need to bring in that kind of amendment. What is it that prompts her, that makes it necessary to do so? Well, just read any of the documents that the bank shoves across the desk when they are looking for your signature in triplicate. Look at them, do not read them because you will get a headache and be none the wiser when you are finished. Finally, the bank manager or the assistant across the desk comes to your aid and says "Don't worry, it just says the following". Well, if he knows what it says, why does he not put it down in those words? Can they not find somewhere out there, a lawyer who can put in plain language for those people what it is they are committing themselves to when they make that transaction?

Can there be anybody? You know these people on that side of the House better than I do—I thank you for your indulgence and I am going to tie up the loose ends—you know those people a lot better than I do, can you tell me why anybody over there could possibly vote against a motion calling for plain language? I am sure they will not.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): I declare the motion lost on division.

[*Translation*]

Motion No. 10 negatived.

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved:

Motion No. 12.

That Bill C-19 be amended

(*a*) by adding, immediately after line 32 on page 346, the following:

"Amendment to this Act if Bill C-34 is assented to

603. If, during the third session of the thirty-fourth Parliament, Bill C-34, entitled *An Act to revise and amend the law governing cooperative credit associations and to provide for related and consequential matters* is assented to, then, on the later of the coming into force of section 464 of this Act and section 1 of that Act, paragraph (*e*) of the definition "service corporation" in subsection 464(1) of this Act is repealed and the following substituted therefor:

(*e*) any other Canadian financial institution incorporated or formed by or under an Act of Parliament, or any central cooperative credit society to which the Superintendent has, by order under subsection 473(1) of the *Cooperative Credit Associations Act*, applied Part XVI of that Act, that has a substantial investment in the body corporate,";

(*b*) by renumbering the subsequent clauses and any cross-references thereto accordingly.

[*English*]

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, I think the amendment is a reasonable one. It is an effort to relate this bill to Bill C-34 which will be in this House very shortly. It is one of these amendments that we need in order to make sure that we keep the financial system together and one bill relating to the other. The reason for this particular amendment is to make sure that the banks operate in such a manner as to protect the situation for the co-operative credit associations.

• (1650)

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, we have looked at the amendment and we do not have any problem with it.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, we have no problems. When I see the member for Mississauga South starting to jump in his chair like a jellybean, I know he is looking at that clock and it is pushing up to 4.50. I know he is anxious. I do not want him to drop out of his chair with apoplexy if this thing does not get done by 5 o'clock. We have no problems with it.

The Acting Speaker (Mr. DeBlois): Is the House ready for the question?

An hon. member: Question.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion No. 12 agreed to.

The Acting Speaker (Mr. DeBlois): 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.

During the ringing of the bells:

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(5)(a), I have been requested by the Whip's representative to defer the division until a later time.

[*Translation*]

Therefore, pursuant to Standing Order 45(5)(*a*), the recorded division on the question now before the House is deferred until six o'clock today, when the bells will be rung for no more than 15 minutes.

* * *

[*English*]

INSURANCE COMPANIES ACT

MEASURE TO ENACT

The House proceeded to the consideration of Bill C-28, an act respecting insurance companies and fraternal benefit societies, as reported (with amendments) from the Standing Committee on Finance.

SPEAKER'S RULING

The Acting Speaker (Mr. DeBlois): There are 59 notices of motions in amendment to Bill C-28, an act respecting insurance companies and fraternal benefit societies at report stage.

Motion No. A, standing in the name of the Minister of State for Finance will be debated and voted upon separately.

[*Translation*]

Motions Nos. B and 3B, standing in the Minister's name, will be grouped for debate but voted on separately.

[*English*]

Motion No. C standing in the name of the Minister of State for Finance will be debated and voted upon separately.

[*Translation*]

Motions Nos. 1, 6 and 7, standing in the name of the hon. member for Nickel Belt, will be grouped for debate but voted on as follows: (a) Motion No. 1 will be voted on separately; (b) The vote on Motion No. 6 will apply to Motion No. 7.

[*English*]

Motions Nos. 1A, 2A, 2B, 2C, 2D, 2E and 2F standing in the name of the Minister of State (Finance) will be grouped for debate, but voted upon as follows:

(a) Motion Nos. 1A, 2A and 2F will be voted upon separately.

(b) A vote on Motion No. 2A will apply to Motion No. 2C.

(c) A vote on Motion No. 2B will apply to motion No. 2D.

Motions Nos. 2 and 8 standing in the name of the hon. member for Nickel Belt will not be selected in that they were both moved, debated and negatived in the Standing Committee on Finance which studied this bill at the committee stage.

[*Translation*]

Motion No. 2G, standing in the name of the Minister of State for Finance, will be debated and voted on separately. Motion No. 3, standing in the name of the hon. member for Nickel Belt, will be debated and voted on separately.

[*English*]

Motion No. 3A standing in the name of the Minister of State for Finance will be debated and voted upon separately.

Motions Nos. 3C and 3D standing in the minister's name will be grouped for debate with the vote on Motion No. 3C applying to Motion No. 3D.

Motions No. 3E, 5A, 5B, 7C, 9A, 10B, 11A and 11B, all standing in the name of the Minister of State for Finance are technical in nature and seek to amend the French and English versions of certain parts of the bill to ensure that both versions have the same meaning. They will be grouped for debate with a vote on Motion No. 3E applying to the remaining motions.

[*Translation*]

Motions Nos. 3F, 3H and 11D, standing in the name of the Minister of State for Finance, will be grouped for debate. The vote on Motion No. 3F will apply to Motions Nos. 3H and 11D.

[*English*]

Motions Nos. 3G and 11C standing in the name of the hon. member for Nickel Belt will be debated together with the vote on Motion No. 3G applying to Motion No. 11C.

[*Translation*]

Motions Nos. 4, 5, 11 and 12, standing in the name of the hon. member for Malpeque, will be grouped for debate with the vote on Motion No. 4 applying to Motions Nos. 5, 11 and 12.

[*English*]

Motion No. 4A standing in the name of the Minister of State for Finance will be debated and voted upon separately.

[*Translation*]

Motions Nos. 5C and 11B.1, standing in the name of the Minister of State for Finance, will be debated together, with the vote on Motion No. 5C applying to Motion No. 11B.1.

[*English*]

Motion No. 6A standing in the name of the Minister of State for Finance will be debated and voted upon separately.

Motions Nos. 7A and 7B standing in the name of the Minister of State for Finance will be grouped for debate but voted upon separately.

[*Translation*]

Motions Nos. 7D and 7E, standing in the name of the Minister of State for Finance will be grouped for debate but voted on separately.

[*English*]

Motion No. 9 standing in the name of the hon. member for Malpeque will be debated and voted upon separately.

[*Translation*]

Motion No. 10, standing in the name of the hon. member for Nickel Belt, will be debated and voted on separately.

[*English*]

Motions Nos. 10A and 10C standing in the name of the Minister of State for Finance will be debated together but voted upon separately.

[*Translation*]

Motion No. 13, standing in the name of the Minister of State for Finance, will be debated and voted on separately.

[*English*]

Motions Nos. 14, 15, 16, 17, 18, 19, 20 and 21 standing in the name of the Minister of State for Finance are technical in nature seeking to harmonize Bill C–28 with the other financial institutions bills. The Chair proposes to group these motions for debate with a vote on Motion No. 14 applying to Motion No. 15, 16, 17, 18, 19, 20 and 21.

For the convenience of the House, I will recapitulate: Motions Nos. 2 and 8 will not be selected.

[*Translation*]

Motion No. A will be debated and voted on separately.

[*English*]

Motions Nos. B and 3B are grouped for debate but will be voted upon separately.

[*Translation*]

Motion No. C will be debated and voted on separately.

[*English*]

Motions Nos. 1, 6 and 7 are grouped for debate. Motion No. 1 will be voted upon separately. A vote on Motion No. 6 applies to Motion No. 7.

Motions Nos. 1A, 2A, 2B, 2C, 2D, 2E and 2F are grouped for debate.

Motions Nos. 1A, 2A and 2F will be voted upon separately. A vote on Motion No. 2A will apply to Motion No. 2C. A vote on Motion No. 2B will apply to Motion No. 2D.

[*Translation*]

Motion No. 2G will be debated and voted on separately. Motion No. 3 will be debated and voted on separately.

• (1700)

[*English*]

Motion No. 3A will be debated and voted on separately.

Motions Nos. 3C and 3D will be grouped for debate with the vote on Motion No. 3C applying to Motion No. 3D.

Motions Nos. 3A, 5A, 5B, 7C, 9A, 10B, 11A and 11B will be grouped for debate with the vote on Motion No. 3A applying to the remaining motions.

[*Translation*]

Motions Nos. 3F, 3H and 11D will be grouped for debate. The vote on Motion No. 3F applies to Motions Nos. 3H and 11D.

[*English*]

Motions Nos. 3G and 11C will be grouped for debate with the vote on Motion No. 3G applying to Motion No. 11C.

Motions Nos. 4, 5, 11 and 12 will be grouped for debate. The vote on Motion No. 4 will apply to Motions No. 5, 11 and 12.

[*Translation*]

Motion No. 4A will be debated and voted on separately.

[*English*]

Motions Nos. 5C and 11B.1, standing in the name of the Minister of State for Finance, will debated together, with the vote on Motion No. 5C applying to Motion No. 11B.1.

[*Translation*]

Motion No. 6A will be debated and voted on separately. Motions Nos. 7A and 7B will be grouped for debate but voted on separately.

[*English*]

Motion Nos. 7D and 7A will be grouped for debate but voted on separately.

Motion No. 9 will be debated and voted on separately.

Motion No. 10 will be debated and voted on separately.

[*Translation*]

Motions Nos. 10A and 10C will be grouped for debate but voted on separately. Motion No. 13 will be debated and voted on separately.

[*English*]

Motions Nos. 14 to 21 inclusive will be grouped for debate with the vote on Motion No. 14 applying to the remaining motions.

[*Translation*]

It being 5 p.m, pursuant to Standing Order 30(6), the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA PENSION PLAN ACT

MEASURE TO AMEND

Hon. Alan Redway (Don Valley East) moved that Bill C–280, an act to amend the Canada Pension Plan Act (disability pension), be read the second time and referred to Legislative Committee F.

He said: Mr. Speaker, I am very pleased that at long last I am giving the House an opportunity to correct what I believe is a gross injustice in the law, an injustice

specifically with respect to the Canada Pension Plan disability pensions.

This Bill C-280 will change the limitation period for the Canada Pension Plan disability pension for someone who has not yet reached the age of 65.

This particular bill does not deal in any way with the Canada Pension Plan retirement pension nor with the Canada Pension Plan survivor benefits, nor with the orphan benefits under the Canada Pension Plan, nor with the death benefits under the Canada Pension Plan. It does not conflict in any way with Bill C-39 which the government has currently before this House.

This bill deals with the limitation period in the Canada Pension Plan disability pension.

Presently, the Canada Pension Plan disability pension provides that in order to qualify for such a pension a disabled person must have made contributions in at least two of the last three calendar years that are included in the contributory period plus having made contributions in five of the last 10 calendar years that are included in the contributory period. The contributory period is defined as beginning for someone my age, not your age, on January 1, 1966. For someone your age it was at the age of 18 and running until the age of 65 or 70 or until such person receives a retirement pension.

If a disabled person has not made those contributions and does not qualify in that way then that person is barred by the current limitation period from receiving a disability pension, even though they may have made contributions for many, many years to the Canada Pension Plan.

Bill C-280, this bill that is before the House, would change that limitation period so that a person who has made contributions for at least one-third of the contributory period is eligible to receive a Canada Pension Plan disability pension. The bill is aimed at rectifying what I believe is a most distressing problem and a real injustice which applies in many cases. An example may be where a disabled person really did not have any knowledge of the fact that there were rights of applying for a disability pension, cases in which the disabled person did not want to admit to themselves or their family that they were actually disabled or cases where perhaps they did not want to be a burden on the fund or on society and did not want to actually apply for the pension because they had enough money at the time.

Later on when their disability became worse perhaps, when their financial position became worse or when they learned about the plan itself, then it was too late to make this sort of application. The current limitation period in the Canada Pension Plan for disability pensions bars people from making that application.

I have many cases. I suspect you may not, Mr. Speaker, because the Quebec Pension Plan actually has a provision similar to the one in this bill already and has for a number of years, but the Canada Pension Plan does not. This situation however first came to my attention when I wanted to run for Parliament, back prior to the 1984 election. I was out knocking on doors in my constituency in the years 1982-83 and I knocked on a door in Victoria village, a portion of my riding, the home of a Mr. Carl Stoyanoff and his family.

Mr. Stoyanoff had been diagnosed with Parkinson's Disease back in 1972 at the age of 48. He continued to work until 1976 hoping that some sort of new medication or some new therapy might come along that would return him to 100 per cent health. He was not aware of the Canada Pension Plan disability pension at that time. He was not aware of it at all. When he found out about it and made his application for the pension, it turned out that he was just a few months past the deadline for the limitation period in the Canada Pension Plan.

This is a man who had contributed for years and years to the Canada Pension Plan. He is supposed to be entitled to a disability pension and he is barred from it because of this late application.

I made representations on his behalf. We went through all the bureaucratic steps. We appealed to the minister and nothing worked. In 1987 Mr. Stoyanoff was still not receiving a Canada Pension Plan disability pension and applied for an early retirement pension at the age of 60.

Since he had never received a disability pension, his contributory period continued to run on and there was a period of some 11 years of disability, including four years of hospitalization, which went completely unrecognized by the current rules of the Canada Pension Plan. Thus Mr. Stoyanoff received a very reduced retirement pen-

sion, not to mention the fact that he received no disability pension either.

After his death a year later in 1988, his widow, Mrs. Stoyanoff was denied survivor benefits even though Mr. Stoyanoff had made contributions in seven consecutive years during his contributory period.

Finally there is somewhat of a happy ending in that Mrs. Stoyanoff, after appealing several times in 1991, was granted a survivor's pension and a death benefit.

• (1710)

That was by sheer luck and does not correct the problem which this bill aims to address. That is only one of many, many problems that have come to my attention and I suspect as we look around the Chamber, almost everyone has had problems of this particular kind.

I have had a number of cases, including the case of Max Crittendon, who was a reporter and writer for the *Toronto Star*, the *Toronto Telegram*, the *Toronto Sun*, who developed multiple sclerosis and he too was barred from receiving a disability pension under the Canada Pension Plan because of a late application. He did not want to admit to himself that he was actually disabled.

Albert Culver had the same problem; Kalyopi Hilepo, the same problem; Lucille Recupero, the same problem; Mrs. Isabella Ross, the same problem; Catherine Belanger, the same problem; Sam Allen, the same problem. Those are just a few of the cases I have come across in my own constituency over the last few years. As I say, I am sure that around this Chamber, almost everyone— perhaps with the exception of the members of Parliament from Quebec, where the Quebec Pension Plan has similar provisions already— has had these kinds of problems.

Since my election to Parliament in 1984 I have pursued all of these cases with the department. The minister was involved and I have always received a very sympathetic hearing. The bureaucrats say they would love to give this person their disability pension, but their hands are tied. They told me there was this legislation there in black and white. They could not do anything, and please get it changed.

In 1985 I went to the then Minister of National Health and Welfare, the present Minister of Energy, Mines and Resources, and we discussed this matter in great detail. He agreed that this was an injustice and that it should be changed. He said the government would make sure it was changed in the next round. You may recall that there was a bill to amend the Canada Pension Plan in 1985 that was to take effect on January 1, 1986, but that was already in the works, much as Bill C-39 is now, so the minister said it could not make any changes at that time. He said it would have to make them in the next round. However, the next round he said was going to be the next year and that they would make those changes in 1986, effective 1987.

I worked with his legislative assistant, Michael Hatfield, at the time and Michael Hatfield in fact drafted the very wording that is in the bill that is before the House tonight. It was his wording and his suggestion as to how to amend this bill, the then legislative assistant to the Minister of National Health and Welfare, the present energy minister.

As you know there was no next round before the 1988 election. In January 1989 we had a new Minister of National Health and Welfare, and lo and behold when I started to make inquiries of the department and the minister, they could find no record whatsoever of my discussions, my correspondence, of Michael Hatfield's letter to me, nothing at all, although I have it here and I can table it if you wish. However, the department has no record whatsoever of that correspondence or of those discussions.

They said, of course, that in the next round they would look after these things. Well, here we are with another new minister and we have another new round, Bill C-39. It is still not in that new round and it is still not in that new bill. We still have not solved the problem.

When I first tabled the bill that is before the House tonight, Bill C-280, and it received first reading, I was contacted by the office of the Minister of National Health and Welfare. Someone said I was right, this was a terrible situation, it should be changed and maybe they would include it in the next round.

The next round was supposed to be in 1986. We are now at 1991. That is something like five years later and we are having the next round now. Lord knows how many years it is going to be down the line for the next round again, how many ministers will have been changed in the meantime, and how many departmental and

ministerial staffs will say they cannot find any record of the correspondence, discussions or whatever. In addition, as you will be aware, after Bill C-280 received its first reading, it went to the private members' draw. It was drawn and went to the private members' business committee. They agreed that it should be votable, but then it went to the House management committee. I believe they acted on the mistaken belief that this bill could not be passed without prior consent of the provinces, and decided that it would not be votable.

A few days after that, I met with the minister's staff and with the department staff and they told me there was no need to get the provinces' approval in advance. This bill could be passed, it just would not take effect until the provinces agreed. If the provinces never agreed, then it would never take effect.

That makes a lot of sense to me. If there were any concerns about problems with federal-provincial relations, surely the government could always say this is a private member's initiative and has nothing to do with the government. If you do not like it you cannot blame us because it is that rotten Redway who has introduced this bill, not us in the government.

Whatever it is, as I stand here in front of you today, this bill is not votable because it was turned down by the House management committee. Apparently we are going to go on year after year after year, one Mr. Stoyanoff after another. Dozens and hundreds and thousands perhaps of disabled people are not going to be able to get the benefit of the contributions they have made because apparently their contributions are now going to subsidize somebody else's pension under the provisions of the bill as it now stands.

It seems to me this is a real injustice. There is a way to correct it and there is a way to correct it tonight.

Robert Kennedy used to say: "Some men see things as they are and say why, but I dream dreams that never were and say why not?" Tonight we have a chance collectively, as members of Parliament representing Canadians, to say: "Why is this injustice happening? It is too bad we cannot do anything about it". Or we can say: "There is something we can do about it, why not do something about it". *Pourquoi pas?* Let us do something about it tonight.

With that in mind, I would like to seek the unanimous consent of the House to adopt the following motion:

Private Members' Business

That notwithstanding any standing orders and usual practices of the House, Bill C-280, an act to amend the Canada Pension Plan Act disability pension, be referred after second reading to a Committee of the Whole instead of to the Legislative Committee F; and that, unless otherwise disposed of, no later than at the end of the time provided for the consideration of Private Members' Business today, any proceedings then before the House shall be interrupted and every question necessary to dispose of the said bill at all stages should be put forthwith and successively without further debate or amendment.

The Acting Speaker (Mr. DeBlois): The House has heard the motion tabled by the hon. member. Is there unanimous consent?

Some hon. members: Agreed.

Motion (Mr. Redway) agreed to.

Mr. Dennis Mills (Broadview—Greenwood): Mr. Speaker, with the consent of the House, I would like to share my time with the critic for health and welfare.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent that the opposition splits its time into two speeches?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): For five minutes the hon. member for Broadview—Greenwood.

Mr. Mills: Mr. Speaker, I would first of all like to salute the member for Don Valley East for this initiative. The member for Don Valley East and I share the community of East York together in downtown Toronto and the member is constantly working for his constituents. The Private Members' Business before us today is just another example of the member going out of his way to make sure that the best interests of his constituents are represented.

• (1720)

On the issue of disability pensions, the hon. member and I have shared many cases in our community where the red tape and technicalities so often cause deep pain for the people directly involved, their families and children. The member for Don Valley East is to be complimented again for this fabulous initiative.

I know in my own riding I have a case with the Baxevanis family where Mr. Baxevanis was helping his neighbours build their home. He was a craftsman carpenter and fell off the roof and broke his leg and hip in about 25 different places. For three years, because of the

technical difficulties within the Department of National Health and Welfare, the man has been without support.

This is the kind of amendment that will hopefully cause the Department of National Health and Welfare to be just a little more sensitive to the real condition that exists out there. When someone in our community ends up totally disabled, his wife and family sit without any income and have to ultimately resort to welfare.

I want to say to my neighbour, the member for Don Valley East, good work. I thank you for having this opportunity.

Mr. Rey Pagtakhan (Winnipeg North): Mr. Speaker, thank you for the opportunity to speak today on Bill C–280, an act to amend the Canada Pension Plan Act respecting disability pension benefits. It is a bill long overdue, but doomed to impotency by this government over the past several years.

I therefore salute the member for Don Valley East for having the commitment, the courage and the conscience to buck the opponents of this bill in the past, particularly those from within his own political party. Those detractors must have clicked their heels for joy when Bill C–280 was deemed non–votable.

Although we must not overlook the role of the departmental bureaucracy in hindering this bill, I must admit that it would never be a stumbling block if the minister were to muster the will to effect a change. Has the meaning of ministerial responsibility been forgotten, I ask.

Allow me to reflect at this juncture on my disappointment at the decision to make this bill non–votable initially. I think we have found some remedy today. To have made this bill non–votable, if we had insisted on that and not referred it to the committee, would have made a mockery of Parliament. It would have made a mockery because a non–votable bill would seem to have passed judgment that the bill would never see the light of day. In a sense it would truly have curtailed the privileges and rights of members of Parliament.

The member for Don Valley East has tried for six years to help those denied their rightful CPP benefits. I share that sentiment. The wrongs looked as though they would be righted before the 1988 election when he received the co–operation of the former minister of health, then the member for Provencher in my home province of Manitoba, but the issue has since been buried by subsequent ministers of health.

The perfect opportunity occurred on October 24 when this government through its present minister tabled in this House Bill C–39.

Nowhere in this legislation was there any mention of waiving the application deadline for disability benefits. In fact the deadline was tightened from one year to 90 days.

I believe the deadline for CPP applications should be irrelevant, as long as the claimant has medical certification to prove he is eligible for disability benefits and can show he meets the minimum contribution requirements as required by the act.

I am furious that this bill was hamstrung by people who cannot see the pain of those who fell through the cracks of the Canada Pension Plan bureaucracy.

Every member of Parliament in this House has constituents who have fallen through the cracks. For whatever reason, these workers had hoped their disability would disappear, and therefore did not file sooner.

They believe in a work ethic. Some were able financially to weather the initial phase of disability. It therefore came as a surprise to most of them when the disability became an unavoidable reality and when they found they were late. They were told they no longer had the benefits.

I believe people who have paid into the Canada Pension Plan have developed an inherent right to that plan. Is it not penalty enough to be disabled and lose your job, without suffering the added injustice of being denied your right to disability benefits?

Instead of denying benefits to disabled people, this government should spend time managing the Canada Pension Plan better so that we can get the greatest financial returns, and thereby return better benefits to Canadian citizens.

I would have liked to revisit the debate on Bill C–39. I would like to be short in this debate, but I would like to indicate that indeed I am pleased that this bill is now before us.

For once, parliamentarians are again challenged to show their social conscience, to come to the needs of those people who need our help, the disabled. This fiction of a deadline is indeed a fiction. It should not extinguish any claim to inherent rights to benefits for which they have paid in the past as members of the working force.

On that note I thank you for the opportunity. I thank the member for Don Valley East for the determination, the commitment and the courage with which he pursued his private member's bill.

Mr. Sid Parker (Kootenay East): Mr. Speaker, I, too, would like to congratulate the hon. member for Don Valley East for introducing a private members' bill which has an effect of making CPP disability more accessible to those Canadians in need.

I congratulate the member for getting the full consent of the House on his motion.

I have spent a great deal of time and energy on issues and cases dealing with CPP disability, both in my role as my Party's pension critic and as the member of Parliament serving the needs of my constituents in Kootenay East.

The current poor state of the public disability pensions is an issue that all members of this House have had to deal with. It is truly a non-partisan issue.

I am happy to support a bill which promises to expand access to benefits for Canadians with disabilities. At the same time, I am sure that my colleague would agree that there are other areas of CPP disability that desperately need to be addressed by this House.

Notwithstanding recent efforts by this government, I think that we can all agree that the current legislation covering CPP disability is flawed.

I would like to take a few moments to identify a number of other areas which demand immediate action. The very definition of the term "disability" contained in existing legislation excludes thousands of Canadians who have legitimate and serious disabilities.

• (1730)

Under existing legislation a person who is unable to work due to a disability does not necessarily qualify for disability assistance. Disabled Canadians who seek independence and dignity through retraining and education risk their disability benefits because existing legislation says that a legitimate disability is one which prohibits any initiative whatsoever.

It is outrageous both in financial and moral terms that Canada's public disability pension scheme does not recognize the importance of retraining and education.

The same logic applies to part-time work. The current legislation forbids even the most part time of work. Part-time work can be the first step for a Canadian with a disability to eventually re-enter the work force.

Should we say to Canadians who make these initial efforts that they are putting their financial security at risk? Of course not. What we need are more incentives, not less.

Bill C-280 addresses the question of accessibility and there are a number of other areas that also need to be looked at.

Under existing legislation a person who does not apply for CPP disability within the first 15 months is ineligible. I have seen first hand people who have been excluded for this ridiculous regulation. Privately most public servants who deal in this area will tell you that the information flow from CPP to Canadians with recent disabilities is very poor. People do not understand what is available to them. In many cases people simply do not know that CPP disability is there.

The problem is no doubt worse for people with low literacy skills or new Canadians whose first language is neither English nor French. In other cases people receive initial disability coverage from other sources and then find out that they can no longer get CPP coverage.

It only makes sense that if persons become disabled on a certain date and are documented and verified they should qualify for disability pension. The 15-month limit clearly needs to be removed.

I could go on and on, but I hope that I have made my point. I applaud the hon. member for his efforts to bring about the change, and I hope that we can all work together to improve our disability pension plan.

In our discussions in committee on the changes with regard to Bill C-39, which we have just reported back to the House and will be debating very shortly, we had witnesses come before us. I wish every member of Parliament could hear the stories and the problems that are out there regarding our Canada Pension Plan, the

disability portions of that plan and the provisions that many people who have paid their money into it are being denied simply because of poor information and poor legislation.

The Canada Pension Plan needs to be revised and this is the first step. The hon. member has identified one area but we must as parliamentarians look at the whole Canada Pension Plan and look to the future so that people are covered and not denied the benefits that should be made available to them.

I congratulate the hon. member for Don Valley East on a job well done.

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I wonder if I might first have the consent of the House to share this time slot with the member for Calgary South.

The Acting Speaker (Mr. DeBlois): Is there unanimous consent to give the floor to the next speaker for the government side?

Some hon. members: Agreed.

Mr. Geoff Wilson (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I would like to speak in favour of the intent of this motion and in favour of any measures which can be taken to improve the plight of those disabled Canadians who having contributed into the Canada Pension Plan through their employment subsequently became disabled, had to leave their employment as a result of the disability and are presently excluded from receiving any benefits simply because they did not apply in time for the pension. Anything that can be done to ameliorate the situation is to be commended.

I believe it is grossly unfair that through the passage of time people who would otherwise have qualified for a disability pension having contributed to the fund are denied. I think this point was made in debate on Bill C-39 and has been made on numerous occasions over the last number of years in this House by myself and others. I believe it is a situation that cries out for redress.

Last night in committee proceedings there was an indication of support from all sides of the House for this process. It may well require federal-provincial agreement. I believe the intent of this motion will result, if members agree, in the passage of the bill. It can go on to the Senate and ultimately then will be on the table and will require the agreement of participating provinces.

What it does is put the subject matter on the federal-provincial table, something that has been promised in this place and to date has not happened. Therefore I want to place myself firmly on record as being in favour of this motion.

I would like to turn over the balance of this time period to my hon. colleague for Calgary Southwest.

Mrs. Barbara Sparrow (Calgary Southwest): Mr. Speaker, I too am pleased to take part in this debate on Bill C-280 as has been put forth by the hon. member for Don Valley East. The main thrust is that the CPP disability benefit would be payable to disabled persons who had contributed to at least one-third of their contributory years, with a minimum of five years of contribution.

There are two or three things I would like to draw to the attention of the House prior to taking the vote. One thing is that a major change such as this one, because it is going to be a monetary cost to the fund, is going to require two-thirds of the provinces with two-thirds of the population agreeing. If this passes and the provinces do not agree with this, it means the end of the bill.

Also, if this goes through and we get two-thirds of the provinces with two-thirds of the population, perhaps the earliest it could come in would be January 1, 1994. That is roughly two years and a month from today.

The minister has spoken with the hon. member for Don Valley East and has certainly heard his concerns and understands exactly what he wishes with regard to the disabled. He also has given my colleague his word that he would review this situation in the spring of 1992 with regard to amending CPP. I hope the hon. member is listening. If this is done, we would be able to improve the benefits to the CPP people who had missed applying for the disability because they were either not knowledgeable or did not realize the situation. We would certainly get the bill amended much faster.

We have a choice of two ways of looking at this. If Bill C-280 is approved, it could not possibly be implemented before January 1, 1994 or it could be absolutely not agreed upon by the provinces.

The other side is, as I said to the hon. member, that the minister has promised he would take his concerns and review them at the spring meeting with his counterparts from the provinces with regard to the period for disabled period and would address the need.

In conclusion and before we come to any vote I want all of us to be aware that we stand a chance of losing it completely. If we do get it, it cannot be implemented until January 1, 1994. I agree with this bill in principle. I know the minister will take this concern to his colleagues and we could get it through this House in the year 1992 and have it enacted at least a year earlier.

• (1740)

While we all agree in principle with what the member has stated I think we have to weigh the pros and cons very carefully. The minister did give his word to the member and maybe that is the route we should take. It is going to be up to each and every one of us here to decide exactly how to treat this bill.

Mr. Parker: Mr. Speaker, I was under the impression that there would not be a vote. I thought the motion had passed, it was agreed upon and the motion was accepted by the House.

The Acting Speaker (Mr. DeBlois): I remind all members that the motion was carried by unanimous consent. Mr. Redway moved that:

> Notwithstanding any Standing Order or usual practice of the House, Bill C–280, an act to amend the Canada Pension Plan, be referred at second reading to a Committee of the Whole instead of the legislative committee and that, unless otherwise disposed of no later than at the end of the time provided for the consideration of Private Members' Business today, any proceeding then before the House shall be interrupted and every question necessary to dispose of the said bill at all stages shall be put forthwith and successively without further debate or amendment.

That is the motion that the House carried by unanimous consent earlier this afternoon.

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I wanted to address this particular initiative by my colleague for Don Valley East, which I find extremely laudable.

Removing the deadline for the applications for disability pensions I think is something that should have occurred a long time ago. Let us remember that these are people who have suffered. Very often there is an accident involved or another serious setback. I cannot understand at all why one would not simply concede immediately that anyone who has gone through that kind of trauma should have to adhere to a particular deadline. There are situations in which people are left alone without appropriate support, or they are particularly and totally consumed by what has occurred to them that it is simply not possible for them to know the rules and regulations or to be informed of those rules and regulations.

I think this is an absolutely meaningful and progressive initiative.

[*Translation*]

I fully applaud it. I also wish we could look at other opportunities for responding to the needs of Canadian men and women, as this bill will do if it is allowed to proceed.

[*English*]

I would hope as well that during the process of debate today and at other appropriate times we might look to see where we could extend deadlines and look at retroactivity. I think the same principle is involved here: Should a Canadian be penalized because he or she who qualified for a particular government program did not apply at a particular time?

What are the reasons? Very often they do not know that it exists or they are particularly taken by the situation they are involved in that they do not have the time or the information or have no way of finding out and so on.

Let me give just three very brief incidents that I have experienced since becoming a member of Parliament just a little longer than three years ago. There is a disabled person in my constituency who did not know that as a result of an accident he could qualify. This was not a person who was illiterate. This was a person you would find every day in your constituency as you meet the men and women who are there. One day, because of a discussion he had with a member of the family, he thought there might be a possibility and because it was brought to his attention too late after the accident he no longer qualified. I think this was a tremendous injustice.

There is another incident in which I believe a person should qualify for disability.

Because of serious emotional problems this person is unable to function adequately. We ought to be looking at that dimension as well, at the definition of what a severe

disability is and what prolonged incapacity is because therein lie a lot of problems too. If one looks at the appeals that are undertaken in these two domains one can see the tremendous waste of money and time because there are no precise definitions in those particular areas.

Those are but a few examples. Previously I indicated that the whole notion of deadline, the whole idea of retroactivity, should be examined for other government programs to which Canadians qualify.

I want to tell you about a widow of a veteran who raised by herself five children without two pensions, two programs to which she was entitled. She did not know that they existed. There were extenuating circumstances, but she did not know. In that process she had to sell her home and she had to sacrifice a great deal to raise those children.

Today she is asking for some allowance so that one of her children can go on and get further training. To date she has not been successful but I am still hopeful that the Minister of Veterans Affairs will see it as a possibility to assist financially this woman and her son so that he can get the type of training that will permit him to earn the kind of living to which he is entitled, that which he might have received if he had been informed in time.

Let me give one final example. There is a senior who is 81 years old whom I have met. I have mentioned his case in this House before. He had just found out that he was entitled to a particular government assistance program because of his level of income. He had been eking out a bare living, not living appropriately at all. When he went back the retroactivity was 14 months. It was very, very little. I find it unconscionable that it should be so short. I have a question on the Order Paper that asks government to indicate to Canadians just how much money it has saved as a result of not paying all of these funds that would normally be paid if people applied on time if they were familiar with the programs that are available to them.

There is an indication from one of my colleagues from government that we need a certain number of provinces to approve this particular initiative if it were to go through. I would hope that no one would question the necessity of this initiative and that they would not find excuses and hide behind financial barriers. If this were the case we could do it for every single initiative that's ever been undertaken.

I would like to complete my remarks by saying if we truly believe that this is a wrong which is being corrected, let us not hesitate. In order to correct this situation let us do what is necessary without jumping through unnecessary hoops and hurdles.

[*Translation*]

Mr. Speaker, I want to thank you for giving me a chance to say a few words on this subject. This is a very welcome initiative. It is an incredible opportunity to correct a situation that is most unfair. I hope that we will be able to proceed with this legislation and that we will also be able to explore ways of correcting the situation in other programs, to make them fairer.

Mr. Marcel R. Tremblay (Parliamentary Secretary to Minister of State (Fitness and Amateur Sport) and Minister of State (Youth) and Deputy Leader of the Government in the House of Commons): Mr. Speaker, I am pleased to participate in this debate on Bill C–280, a private member's bill which was introduced by the hon. member for Don Valley East. The bill, which was given first reading in the House of Commons on September 20, 1991, proposes some amendments to the Canada Pension Plan.

Under Bill C–280, a CPP disability benefit would be payable to disabled persons who had contributed in at least one third of their contributory years, with a minimum of five years of contributions. At the moment, in order to receive a disability benefit under the CPP, a contributor must, at the time of disablement, have contributed to the Plan in five of the last ten years or, alternatively, in at least two of the last three years. The hon. member's proposal, in effect, provides a third option. The purpose of the bill, then, is to extend the time that one is eligible for benefits.

• (1750)

There is no doubt that one of the major problems facing the disabled is inadequate income support. Despite the many programs to assist disabled persons, this group remains among the poorest in Canada. I think that it is obvious—and commendable—that the bill before us today is seeking one more way to alleviate this situation.

The hon. member has identified the Canada Pension Plan disability provisions as being in need of improvement. His criticism, however, is not with the level of benefit or the definition of disability—the two areas most commonly looked at with regard to CPP disability benefits.

Instead, he is asking the government to modify the eligibility criteria that require a disabled CPP contributor to meet minimum contributory requirements. Even though this change may seem of minor significance at first glance, there is no doubt that it could improve the financial situation of at least some disabled persons.

Since the introduction of the CPP in 1966, the minimum contributory requirements have come in for criticism and proposals have been made for change. Indeed, changes have been made. Perhaps I could just take a few minutes to review the changes which were made to the CPP in 1986, as they affect disabled contributors.

As of January 1, 1987, the flat-rate benefit portion of the disability pension was increased by approximately $150 per month. The earnings-related portion of the CPP disability pension remained at 75 per cent of the disabled contributor's imputed retirement pension. This, together with the higher flat-rate benefit, increased the maximum disability payment from $415 to $565 per month at 1986 rates.

It should be noted that today, in 1991, the maximum disability benefit is almost $745 per month, including the flat-rate portion of $290. At the same time, directly related to the proposed change before us today, we have the 1986 amendment to relax the contributory requirement rules.

Workers who become disabled now qualify for benefits if they have contributed to the Plan during two of the three years preceding their disablement. This affords early protection in case of disability for young people and for those persons, particularly women, who are re-entering the labour market.

The existing requirement of contributions in five of the last ten years was retained since it provides continued protection against disability for several years after an individual has ceased contributing to the Plan.

Moreover, this period of continued protection against the loss of earnings due to disability was further prolonged by the extension of the retroactive period. As of January 1, 1987, disability may be determined to have arisen up to 15 months prior to the month of application for benefits. I think it is useful to note that many Canadians now benefit from the CPP disability provisions.

In 1991, approximately 215,000 disabled contributors and 73,000 children of disabled contributors are receiving CPP benefits. They receive total monthly benefit payments of about $160 million. While there is no question that this does not meet the total income needs of the disabled and their children, I think we can all agree that it is a significant contribution, particularly in these difficult economic times.

As for meeting the income needs of the disabled, it must be recognized that the CPP is a social insurance program for Canadian workers. It is related to earnings and like all earnings-related disability plans, a minimum qualifying period has been a requirement since the inception of the Plan in 1966. A look back at the discussions surrounding the development of the CPP makes it clear that no other benefit posed as many problems or raised as many questions as did the disability provisions. The federal and provincial governments wanted fairly rigorous benefit eligibility rules until some experience had been gained under the new plan. Experience has shown that the original requirements needed to be eased and as we have just seen, this has been done. While the Canada Pension Plan is not intended to provide all the income a disabled contributor may need, there are certainly ways to improve the protection the CPP offers.

I am sure that hon. members will agree with me that Bill C-39, which we debated just last week and agreed to, is ample evidence that the CPP is a dynamic program. The changes which are about to be implemented as a result of this recent amendment to the Plan will ensure the long-term financial stability of the CPP and provide an additional $35 a month to the children of disabled and deceased contributors.

A number of other minor amendments will also be made. While some simply clarify the legislation and simplify its application, others will allow benefits to be paid where eligibility does not currently exist.

I will not reiterate the details of that bill, since we are all familiar with them, having so recently examined them in this House. However, I would like to mention in passing the protection afforded to those who are incapacitated and cannot act on their own behalf.

In the past, such persons have lost several months of benefits or even total eligibility because they were unable to apply on time. The Minister of National Health and Welfare will now be able to treat an application for any CPP benefit as if it had been made at the time that the person became incapacitated. While this may not affect a large number of people, I believe that it is very important in terms of the basic intention and spirit of the Plan.

With regard to Bill C-280, notwithstanding what was discussed and approved in the House a few minutes ago, I still feel that the hon. member has put forward for our consideration a very valid proposal. There is no doubt that this would benefit some disabled contributors who do not now meet the eligibility requirements. However, I also believe that we must pause and assure ourselves that we are not making a fundamental change in the philosophy of the Plan with respect to relationship to earnings and the recency of those earnings.

Therefore, while I support this proposal in principle, I do believe that it needs further reflection. We must also recognize that federal and provincial legislators do not amend the CPP in haste. A change which affects funding, such as this one, would require the approval of two thirds of the provinces having two thirds of the Canadian population, as well as the approval of Parliament. I am very pleased that the Minister has undertaken to bring this proposal to the attention of the provinces and to put it on the agenda of the next federal-provincial meeting on the Canada Pension Plan, which should take place in the coming months.

In closing, I would like to thank the hon. member for Don Valley East for providing this opportunity to discuss the question of CPP disability benefits. This motion and the debate on it give us the opportunity to consider issues which are fundamental to the disability provisions of the Plan.

[*English*]

BUSINESS OF THE HOUSE

Mr. Albert Cooper (Parliamentary Secretary to Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, there have been discussions among the parties and I believe you will find unanimous consent for the following motion:

> That when the House undertakes third reading debate on Bill C-4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, it shall be deemed that all bills, part of a financial institutions package, namely Bill C-19, an act respecting banks and banking; Bill C-28, an act respecting insurance companies and fraternal benefit societies; and Bill C-34, an act to revise and amend the law governing co-operative credit associations and to provide for related and consequential matters; be called jointly with Bill C-4 for third reading debate;
>
> That Standing Order 11(2) be suspended for the duration of the debate at third reading;
>
> That the debate be held concurrently on the subject matter covered in the four said bills;
>
> That, immediately after Bill C-4 has been disposed of, the Speaker shall put forthwith and successively, without further debate or amendments, all questions to dispose of Bill C-19, Bill C-28 and Bill C-34 at third reading in that order.

• (1800)

Mr. David Dingwall (Cape Breton—East Richmond): Mr. Speaker, there have been discussions among House leaders with regard to the contents of this motion. We find it in accordance with what we have agreed to.

Mr. John R. Rodriguez (Nickel Belt): Mr. Speaker, the NDP caucus has no problem with this motion.

We have been very co-operative in the study of these bills at second reading and at report stage and will continue to do so.

The Acting Speaker (Mr. DeBlois): The House has heard the terms of the motion tabled by the hon. parliamentary secretary. Is there unanimous consent to adopt the motion?

Some hon. members: Agreed.

Motion (Mr. Cooper) agreed to.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA PENSION PLAN ACT

MEASURE TO AMEND

The House resumed consideration of motion of Mr. Redway that Bill C-280, an act to amend the Canada Pension Plan Act (disability pension), be read a second time and, by unanimous consent, referred to Committee of the Whole.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Acting Speaker (Mr. DeBlois): All those opposed to the motion will please say nay.

Some hon. members: Nay.

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

And more than five members having risen:

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

• (1820)

[*Translation*]

Before the taking of the vote:

Mr. Gagliano: Mr. Speaker, I believe that since this is a private members' bill, you would have the unanimous consent of the House for taking the vote row by row. Perhaps we could try something new this time. Perhaps you could start on the left instead of on the right.

[*English*]

The Acting Speaker (Mr. DeBlois): Is the House in agreement that the division be taken by rows?

Some hon. members: Agreed.

The Acting Speaker (Mr. DeBlois): I would like to remind hon. members of the procedure followed when a division is taken row by row.

The members who are in favour of the motion will vote first. I will ask the members to my right to rise row by row. Then I will ask the members to my left to do the same.

[*Translation*]

The House divided on the motion, which was agreed to on the following division:

(*Division No. 63*)

YEAS

Members

Allmand	Althouse
Anawak	Anderson
Angus	Arseneault
Atkinson	Attewell
Baker	Bélair
Belsher	Benjamin
Berger	Bernier
Bertrand	Bjornson
Blackburn (Brant)	Blackburn (Jonquière)
Blaikie	Blais
Blenkarn	Blondin
Bouchard (Roberval)	Boudria
Bourgault	Boyer
Breaugh	Brewin
Butland	Caccia
Cadieux	Callbeck
Campbell (Vancouver Centre)	Cardiff
Catterall	Chadwick
Champagne (Champlain)	Charest
Chartrand	Clark (Yellowhead)
Clark (Brandon—Souris)	Clifford
Cole	Collins
Comuzzi	Cook
Corbett	Côté
Couture	Crawford
Darling	de Cotret
de Jong	Della Noce
Desjardins	Dick
Dingwall	Dobbie
Domm	Dorin
Duhamel	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Finestone
Fisher	Flis
Fontaine	Fontana
Fretz	Friesen
Fulton	Gaffney
Gagliano	Gardiner
Gauthier	Gérin
Gray (Windsor West)	Greene
Grey (Beaver River)	Guilbault
Halliday	Harvey (Chicoutimi)
Harvey (Edmonton East)	Hawkes
Hicks	Hogue
Holtmann	Hopkins
Horner	Horning
Hovdebo	Hudon
Hughes	Jacques
James	Johnson
Karpoff	Kempling
Keyes	Koury
Kristiansen	Landry
Langdon (Essex—Windsor)	Langlois
Laporte	Larrivée
Layton	Leblanc (Longueuil)
Lee	Lewis

Littlechild	Loiselle
Lopez	MacAulay
MacDonald (Dartmouth)	MacLaren
MacWilliam	Malone
Manley	Marleau
Martin (Lasalle—Émard)	Martin (Lincoln)
Mayer	McCreath
McCurdy	McDermid
McDougall (St. Paul's)	McGuire
Merrithew	Mifflin
Mills	Mitges
Monteith	Murphy
Nault	Nicholson
Nunziata	Nystrom
Oberle	O'Kurley
Pagtakhan	Parker
Peterson	Phinney
Plourde	Porter
Pronovost	Proud
Redway	Reimer
Ricard	Riis
Robinson	Robitaille
Rodriguez	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Soetens
Sparrow	Speller
Stevenson	Stewart
Stupich	Tardif
Taylor	Tétreault
Thompson	Thorkelson
Tremblay (Rosemont)	Tremblay (Québec-Est)
Tremblay (Lotbinière)	Turner (Halton—Peel)
Van De Walle	Vankoughnet
Vézina	Vien
Vincent	Volpe
Walker	Wappel
Wenman	White
Whittaker	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Wood
Young (Acadie—Bathurst)—196	

NAYS

Members

nil/aucun

PAIRED—MEMBERS

nil/aucun

• (1830)

[*English*]

The Acting Speaker (Mr. DeBlois): I declare the motion agreed to.

Mr. Blaikie: Mr. Speaker, I rise on a point of order. Maybe all those people who voted nay on the voice vote could stand up at some other time.

Some hon. members: Oh, oh.

The Acting Speaker (Mr. DeBlois): Order, please.

Bill read the second time and, by unanimous consent, the House went into committee. Thereon, Mr. DeBlois is in the Chair.

[*Translation*]

The Assistant Deputy Chairman: House in Committee of the Whole on Bill C-280, an act to amend the Canada Pension Plan (disability pension).

Shall clause 1 carry?

Some hon. members: Agreed.

Some hon. members: On division.

Clause 1 agreed to.

The Assistant Deputy Chairman: Shall clause 2 carry?

Some hon. members: Agreed.

Some hon. members: On division.

Clause 2 agreed to.

Title agreed to.

The Assistant Deputy Chairman: Shall the bill carry?

Some hon. members: Agreed.

Some hon. members: On division.

Bill reported.

Hon. Allan Redway (Don Valley East) moved that the bill be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

[*English*]

The Acting Speaker (Mr. DeBlois): When shall the bill be read the third time? By leave, now?

Some hon. members: Agreed.

Mr. Redway moved that the bill be read the third time and passed.

The Acting Speaker (Mr. DeBlois): 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.

GOVERNMENT ORDERS

[*Translation*]

TRUST AND LOAN COMPANIES ACT

MEASURE TO AMEND

The House resumed consideration of Bill C–4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters, as reported (with amendments) from the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred divisions on the motions at the report stage of Bill C–4, an act to revise and amend the law governing federal trust and loan companies and to provide for related and consequential matters.

[*English*]

The first question is on Motion No. 5.

The House divided on Motion No. 5, which was negatived in the following division:

(Division No. 64)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

[*Translation*]

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

[*English*]

Mr. Dingwall: Mr. Speaker, I think you might find that there is a disposition among members in the House that the vote which has just been taken would apply also to Motions Nos. 53, 30, 42A, 58, 60 and 78.

Mr. Angus: Mr. Speaker, for further clarification, the NDP caucus will be voting against Motion No. 57 and in favour of all the remaining motions.

We will vote against Motion No. 57, but in favour of the remaining motions.

Mr. Hawkes: Mr. Speaker, I think the proposition that came from the House leader of the Liberal Party is acceptable to the government. That would leave us voting next for Motion No. 57, but the remaining motions on Bill C-4 would have been settled on the basis of the proposition.

Mr. Attewell: Mr. Speaker, I would just like to say that I will be voting in favour of Motion No. 42A.

Mr. Dingwall: Mr. Speaker, I think to facilitate the Order of the House, since my colleagues of the NDP have indicated that they will be voting against Motion No. 57, we can perhaps expedite the proceedings by informing the House that our party will be voting in favour of Motion No. 57.

[*Translation*]

Mr. Kindy: Mr. Speaker, I will vote for Motion No. 42A.

[*English*]

Mr. Hawkes: Mr. Speaker, the government moved Motion No. 57 and will be voting for it. I think Motion No. 57 can be dealt with by putting the vote for Motion No. 5 but in reverse.

The Acting Speaker (Mr. DeBlois): Hon. members have heard the terms of the motion made by the hon. opposition House leader and seconded by the other House leaders. Is there unanimous consent to agree to that motion?

Some hon. members: Agreed.

[*Translation*]

The House divided on motion No. 53, which was negatived on the following division:

(*Division No. 65*)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray/ (Windsor West)

Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on the Motion No. 57, which was agreed to on the following division:

(Division No. 66)

YEAS

Members

Allmand
Anderson
Atkinson
Baker
Anawak
Arseneault
Attewell
Bélair
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman

White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Wood
Worthy
Young (Acadie—Bathurst)—175

NAYS

Members

Althouse
Angus
Benjamin
Blackburn (Brant)
Blaikie
Breaugh
Brewin
Butland
de Jong
Fisher
Fulton
Gardiner
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Laporte
MacWilliam
McCurdy
Murphy
Nystrom
Parker
Riis
Robinson
Rodriguez
Stupich
Taylor
Whittaker—29

PAIRED—MEMBERS

nil/aucun

The House divided on the Motion No. 30, which was negatived on the following division:

(Division No. 67)

YEAS

Members

Althouse
Angus
Benjamin
Blackburn (Brant)
Blaikie
Breaugh
Brewin
Butland
de Jong
Fisher
Fulton
Gardiner
Harvey (Edmonton East)
Hovdebo
Karpoff
Kristiansen
Langdon (Essex—Windsor)
Laporte
MacWilliam
McCurdy
Murphy
Nystrom
Parker
Riis
Robinson
Rodriguez
Stupich
Taylor
Whittaker—29

NAYS

Members

Allmand
Anawak
Anderson
Arseneault
Atkinson
Attewell
Baker
Bélair
Belsher
Berger
Bernier
Bertrand
Bird
Bjornson
Blackburn (Jonquière)
Blais
Blenkarn
Blondin
Bouchard (Roberval)
Boudria
Bourgault
Boyer
Caccia
Cadieux
Callbeck
Campbell (Vancouver Centre)
Cardiff
Catterall
Chadwick
Champagne (Champlain)
Charest
Chartrand
Clark (Yellowhead)
Clark (Brandon—Souris)
Clifford
Cole
Collins
Comuzzi
Cook
Corbett
Côté
Couture
Crawford
Darling
de Cotret
Della Noce
Desjardins
Dick
Dingwall
Dobbie
Domm
Dorin
Duhamel
Duplessis
Edwards
Epp
Fee
Feltham
Ferland
Finestone
Flis
Fontaine
Fontana
Fretz
Friesen
Gaffney
Gagliano
Gauthier
Gérin
Gray (Windsor West)
Greene
Grey (Beaver River)
Guilbault
Halliday
Harvey (Chicoutimi)
Hawkes
Hicks
Hogue
Holtmann
Hopkins
Horner
Horning
Hudon
Hughes
Jacques
James
Johnson
Kempling
Keyes
Kindy
Koury
Landry
Langlois
Larrivée
Layton
Leblanc (Longueuil)
Lee
Lewis
Littlechild
Loiselle
Lopez
MacAulay
MacDonald (Dartmouth)
MacDougall (Timiskaming)
MacLaren
Malone
Manley
Marleau
Martin (Lasalle—Émard)
Martin (Lincoln)
Mayer
McCreath
McDermid
McDougall (St. Paul's)
McGuire
Merrithew
Mifflin
Mills
Mitges
Monteith
Nault
Nicholson
Nunziata
Oberle
O'Kurley
Pagtakhan
Peterson
Phinney
Plourde
Porter
Pronovost
Proud
Prud'homme
Redway
Reid
Reimer
Ricard
Richardson
Robitaille
Roy-Arcelin
Saint-Julien
Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)
Shields
Siddon
Sobeski
Soetens
Sparrow
Speller
Stevenson
Stewart
Tardif
Tétreault
Thompson
Thorkelson
Tremblay (Rosemont)
Tremblay (Québec-Est)
Tremblay (Lotbinière)
Turner (Halton—Peel)
Van De Walle
Vankoughnet
Vézina
Vien
Vincent
Volpe
Walker
Wappel
Wenman
White
Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Wood
Worthy
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on the Motion No.42A, which was negatived on the following division:

(Division No. 68)

YEAS

Members

Althouse	Angus
Attewell	Benjamin
Blackburn (Brant)	Blaikie
Breaugh	Brewin
Butland	Catterall
de Jong	Fisher
Fulton	Gardiner
Harvey (Edmonton East)	Hovdebo
Karpoff	Kristiansen
Langdon (Essex—Windsor)	Laporte
MacWilliam	McCurdy
Murphy	Nystrom
Parker	Riis
Robinson	Rodriguez
Stupich	Taylor
Whittaker—31	

NAYS

Members

Allmand	Anawak
Anderson	Arseneault
Atkinson	Baker
Bélair	Belsher
Berger	Bernier
Bertrand	Bird
Bjornson	Blackburn (Jonquière)
Blais	Blenkarn
Blondin	Bouchard (Roberval)
Boudria	Bourgault
Boyer	Caccia
Cadieux	Callbeck
Campbell (Vancouver Centre)	Cardiff
Chadwick	Champagne (Champlain)
Charest	Chartrand
Clark (Yellowhead)	Clark (Brandon—Souris)
Clifford	Cole
Collins	Comuzzi
Cook	Corbett
Côté	Couture
Crawford	Darling
de Cotret	Della Noce
Desjardins	Dick
Dingwall	Dobbie
Domm	Dorin
Duhamel	Duplessis
Edwards	Epp
Fee	Feltham
Ferland	Finestone
Flis	Fontaine
Fontana	Fretz
Friesen	Gaffney
Gagliano	Gauthier
Gérin	Gray (Windsor West)
Greene	Grey (Beaver River)
Guilbault	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Holtmann	Hopkins
Horner	Horning
Hudon	Hughes
Jacques	James
Johnson	Kempling
Keyes	Kindy
Koury	Landry
Langlois	Larrivée
Layton	Leblanc (Longueuil)
Lee	Lewis
Littlechild	Loiselle
Lopez	MacAulay
MacDonald (Dartmouth)	MacDougall (Timiskaming)
MacLaren	Malone
Manley	Marleau
Martin (Lasalle—Émard)	Martin (Lincoln)
Mayer	McCreath
McDermid	McDougall (St. Paul's)
McGuire	Merrithew
Mifflin	Mills
Mitges	Monteith
Nault	Nicholson
Nunziata	Oberle
O'Kurley	Pagtakhan
Peterson	Phinney
Plourde	Porter
Pronovost	Proud
Prud'homme	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Sparrow
Speller	Stevenson
Stewart	Tardif
Tétreault	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Volpe	Walker
Wappel	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Wood
Worthy	Young (Acadie—Bathurst)—173

PAIRED—MEMBERS

nil/aucun

The House divided on the Motion No. 58, which was negatived on the following division:

(Division No. 69)

YEAS

Members

Althouse	Angus
Benjamin	Blackburn (Brant)
Blaikie	Breaugh

Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy

Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on the Motion No. 60, which was negatived on the following division:

(Division No. 70)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais

The House divided on the Motion No. 78, which was negatived on the following division:

(Division No. 71)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier

Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy

PAIRED—MEMBERS

nil/aucun

Gérin	Gray (Windsor West)
Greene	Grey (Beaver River)
Guilbault	Halliday
Harvey (Chicoutimi)	Hawkes
Hicks	Hogue
Holtmann	Hopkins
Horner	Horning
Hudon	Hughes
Jacques	James
Johnson	Kempling
Keyes	Kindy
Koury	Landry
Langlois	Larrivée
Layton	Leblanc (Longueuil)
Lee	Lewis
Littlechild	Loiselle
Lopez	MacAulay
MacDonald (Dartmouth)	MacDougall (Timiskaming)
MacLaren	Malone
Manley	Marleau
Martin (Lasalle—Émard)	Martin (Lincoln)
Mayer	McCreath
McDermid	McDougall (St. Paul's)
McGuire	Merrithew
Mifflin	Mills
Mitges	Monteith
Nault	Nicholson
Nunziata	Oberle
O'Kurley	Pagtakhan
Peterson	Phinney
Plourde	Porter
Pronovost	Proud
Prud'homme	Redway
Reid	Reimer
Ricard	Richardson
Robitaille	Roy-Arcelin
Saint-Julien	Scott (Victoria—Haliburton)
Scott (Hamilton—Wentworth)	Shields
Siddon	Sobeski
Soetens	Sparrow
Speller	Stevenson
Stewart	Tardif
Tétreault	Thompson
Thorkelson	Tremblay (Rosemont)
Tremblay (Québec-Est)	Tremblay (Lotbinière)
Turner (Halton—Peel)	Van De Walle
Vankoughnet	Vézina
Vien	Vincent
Volpe	Walker
Wappel	Wenman
White	Wilbee
Wilson (Swift Current—Maple Creek—Assiniboia)	
Winegard	Wood
Worthy	Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

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

[*English*]

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: On division.

The Acting Speaker (Mr. DeBlois): Agreed to on division.

Motion agreed to.

* * *

• (1850)

[*Translation*]

BANK ACT

MEASURE TO ENACT

The House resumed consideration of Bill C–19, an act respecting banks and banking, as reported (with amendments) from the Standing Committee on Finance.

The Acting Speaker (Mr. DeBlois): Pursuant to Standing Order 45(5)(a), the House will now proceed to the taking of the deferred divisions at the report stage of Bill C–19, an act respecting banks and banking.

[*English*]

The first question is on Motion No. 1.

Mr. Dingwall: Mr. Speaker, there might be a disposition within the House that the vote on Motion No. 5 in Bill C–4 which was taken would apply to motions under Bill C–19, Motions Nos. 1, 4, 2, 2B, 6 and 11 and I believe there probably would be a disposition within the House that the motion to concur would be on division with regard to Bill C–19.

The Acting Speaker (Mr. DeBlois): The House has heard the suggestion of the hon. opposition House leader. Is there unanimous consent?

Some hon. members: Agreed.

The House divided on Motion No. 1, which was negatived on the following division:

(*Division No. 72*)

YEAS

Members

Althouse	Angus
Benjamin	Blackburn (Brant)
Blaikie	Breaugh

Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy

Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on Motion No. 4, which was negatived on the following division:

(Division No. 73)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall

Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on Motion No. 2, which was negatived on the following division:

(Division No. 74)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée

Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on Motion No. 2B, which was negatived on the following division:

(Division No. 75)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29
Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson

Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on Motion No. 6, which was negatived on the following division:

(Division No. 76)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29
Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

The House divided on Motion No. 11, which was negatived on the following division:

(Division No. 77)

YEAS

Members

Althouse
Benjamin
Blaikie
Brewin
de Jong
Fulton
Harvey (Edmonton East)
Karpoff
Langdon (Essex—Windsor)
MacWilliam
Murphy
Parker
Robinson
Stupich
Whittaker—29

Angus
Blackburn (Brant)
Breaugh
Butland
Fisher
Gardiner
Hovdebo
Kristiansen
Laporte
McCurdy
Nystrom
Riis
Rodriguez
Taylor

NAYS

Members

Allmand
Anderson
Atkinson
Baker
Belsher
Bernier
Bird
Blackburn (Jonquière)
Blenkarn
Bouchard (Roberval)
Bourgault
Caccia
Callbeck
Cardiff
Chadwick
Charest
Clark (Yellowhead)
Clifford
Collins
Cook
Côté
Crawford
de Cotret
Desjardins
Dingwall
Domm
Duhamel
Edwards
Fee
Ferland
Flis
Fontana
Friesen
Gagliano
Gérin
Greene
Guilbault
Harvey (Chicoutimi)
Hicks
Holtmann
Horner
Hudon
Jacques
Johnson
Keyes
Koury
Langlois
Layton
Lee
Littlechild
Lopez
MacDonald (Dartmouth)
MacLaren
Manley
Martin (Lasalle—Émard)
Mayer
McDermid
McGuire
Mifflin
Mitges
Nault

Anawak
Arseneault
Attewell
Bélair
Berger
Bertrand
Bjornson
Blais
Blondin
Boudria
Boyer
Cadieux
Campbell (Vancouver Centre)
Catterall
Champagne (Champlain)
Chartrand
Clark (Brandon—Souris)
Cole
Comuzzi
Corbett
Couture
Darling
Della Noce
Dick
Dobbie
Dorin
Duplessis
Epp
Feltham
Finestone
Fontaine
Fretz
Gaffney
Gauthier
Gray (Windsor West)
Grey (Beaver River)
Halliday
Hawkes
Hogue
Hopkins
Horning
Hughes
James
Kempling
Kindy
Landry
Larrivée
Leblanc (Longueuil)
Lewis
Loiselle
MacAulay
MacDougall (Timiskaming)
Malone
Marleau
Martin (Lincoln)
McCreath
McDougall (St. Paul's)
Merrithew
Mills
Monteith
Nicholson
Nunziata
O'Kurley
Peterson
Plourde
Pronovost
Prud'homme
Reid
Ricard
Robitaille
Saint-Julien
Scott (Hamilton—Wentworth)
Siddon
Soetens
Speller
Stewart
Tétreault
Thorkelson
Tremblay (Québec-Est)
Turner (Halton—Peel)
Vankoughnet
Vien
Volpe
Wappel
White
Wilson (Swift Current—Maple Creek—Assiniboia)
Winegard
Worthy

Oberle
Pagtakhan
Phinney
Porter
Proud
Redway
Reimer
Richardson
Roy-Arcelin
Scott (Victoria—Haliburton)
Shields
Sobeski
Sparrow
Stevenson
Tardif
Thompson
Tremblay (Rosemont)
Tremblay (Lotbinière)
Van De Walle
Vézina
Vincent
Walker
Wenman
Wilbee
Wood
Young (Acadie—Bathurst)—175

PAIRED—MEMBERS

nil/aucun

Mr. Hawkes: Mr. Speaker, on the sheet I have in front of me there was Motion No. 10 standing in the name of Mrs. Callbeck. Was that one that was deferred, or was it dealt with earlier?

The Acting Speaker (Mr. DeBlois): Motion No. 10 was negatived on division earlier this afternoon.

[*Translation*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance) moved that the bill, as amended, be concurred in.

The Acting Speaker (Mr. DeBlois): Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. DeBlois): It being 6.52 p.m., the House stands adjourned until tomorrow at 2 p.m..

The House adjourned at 6.52 p.m.